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The Chronicles of the EAST INDIA COMPANY trading to China 1635–1834

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THE E. I. C. CHARTERED SHIP *TRUE BRITON*

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The Chronicles of the EAST INDIA COMPANY trading to CHINA 1635–1834

By HOSEA BALLOU MORSE, LL.D.
Author of *The Currency of China*, *The Gilds of China*
The Trade and Administration of China
The International Relations of the Chinese Empire

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The E.I.C. Chartered Ship *True Briton*, 1198 tons, 1791 *Frontispiece*

Drawn and engraved by C. Turner. By courtesy of Messrs. T. H. Parker, 12A Berkeley Street, London, W. 1.

The Canton Factories, 1785 . . . . . *facing* 144

From a coloured lithograph by W. Daniell, in the Collection of Sir C. P. Chater, Kt., C.M.G., of Hongkong. (Daniell was in Canton in 1785, but the lithograph was published in 1805.)

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CONVENTIONAL EQUIVALENTS

CURRENCY

THE tael of currency at Canton was treated in the accounts as equivalent to 6*s*. 8*d*. (£1 = Tls. 3).

The Spanish dollar was treated in the accounts as equivalent to Tls. 0·72, the exact equivalence in weight (apart from the touch of silver) being Tls. 100 = 120·8 oz. troy.

The Spanish dollar was invoiced from 1619 to 1814 at 5*s*. per dollar (£1 = 4 dollars). From 1815 it was invoiced at the actual cost (c.i.f.) per oz. Salaries and other fixed charges at Canton were paid at the rate £100 = $416·67. Bills on the Company in London were issued at rates ranging from 4*s*. 10*d*. to 6*s*. per dollar, for bills payable 365 days after sight.

WEIGHT

The picul is 133⅓ lb. av. = 100 catties.
The catty is 1⅓ lb. av. = 16 taels.
The tael is 1⅓ oz. av.
The tael of Canton was actually 579·85 grains.

LENGTH

The *ch'ih* or 'covid' or 'cubit' of the carpenters of Canton was 14·1 English inches: used for measuring ships and cloth.

XXX

THE COUNCILS OF 1775 AND 1776

In reopening the record in 1775 we are struck by the marked development which is apparent in the character of the supercargoes and of the Chinese merchants. The supercargoes had in the past been jealous of each other; had pursued their individual personal aims; had squabbled, Council with Council, and colleagues in the same Council; had been suspected by the Court, as in the cases of Mr. Fazakerley in 1729 and Mr. Naish in 1730, of defrauding the Company, although the charges against them were not susceptible of proof. Early in the century their own commission had loomed large in their eyes; but between 1740 and 1750 there are instances in which they deferred their commission, or advanced from their own stock of silver to supply a deficit in the Company's stock required for their investment; and by 1775 they are no longer individualists, but have acquired traditions, and are, it is apparent, a band of loyal servants of the Company. Some are of the second generation of supercargoes: in 1775 Mr. William Henry Pigou, Fourth of Council, shipped one chest and two boxes of Hyson tea and one box of chinaware 'directed for Frederick Pigou, Esq^{r}, a Present'; and 2 chests of Hyson were shipped by Charles Edward Pigou (brother of William Henry), who was in 1775 a Writer, and in 1777 was tenth (and last) member of Council.

The merchants at the beginning of the century were huckstering tradesmen, none too honest, not accustomed to large transactions. Then came to Canton some merchants from Fukien, mostly from Chüanchow, of whom Anqua (1703 at Amoy, 1715 at Canton) may be cited as a conspicuous example. In the new age which we have reached, a tendency which has been noticed for some years before has become more marked; and we find merchants of the highest class, shrewd in their bargains, holding out for the best terms obtainable, but ready to compromise when the limits of bargaining are reached,

respecting their opponents the supercargoes and respected by them. The two parties were from this time on to be in perpetual conflict, and, through it all, to be firm friends.

The French had constantly left their supercargoes behind, and the Dutch occasionally, to hold over from season to season, remaining in earlier years at Canton, but latterly at Macao. The English Company had, prior to 1770, only twice tried the experiment, with results not satisfactory to the Court; in general the supercargoes came out in the ships of the year, and had to provide them with a lading during their stay; in that stay of five, or at the most six months, they had to contract for produce which the sellers must require three, or even four, months to obtain from the centres of production. As all the ships must arrive between the end of June, and, at latest, the middle of September, and must be dispatched before the end of January, or in February at latest, all the Companies were buying at the same time, and loading the ships could not begin for a long time after their arrival.

In 1770 the Court directed that the supercargoes should no longer go and return in the ships in which they were specifically interested, but that one permanent Council should be formed, consisting of all the supercargoes conducting the China trade, and that they should hold over from year to year. From 1774 a Council of five members held over, with Mr. Edward Phipps, Chief, Mr. Francis Wood, Jr., Second, Mr. Matthew Raper, Jr., Third. The first ship in 1775, arriving on July 31st, brought the Court's instructions adding three additional members to the foot of the list, probably of Writers promoted to be supercargoes. In 1776, on September 22nd, Mr. Phipps died, and Mr. Wood became Chief of the Council, which had been brought up to eight by the inclusion of Mr. James Bradshaw, supercargo, as Third. Mr. Wood then went home, Mr. Raper becoming Chief of the Council of 1777, which was brought up to ten by the promotion of those who, in 1775 and 1776, had been the three senior Writers.

The French Company lost its monopoly by the King's decree of August 13, 1769, and the trade east of the Cape of Good Hope was thrown open to all French subjects. That Company then owned thirty ships, contrary to the practice of the English Company, which still continued to charter the ships required

for its trade. The French Company took several years to wind up its affairs, and in 1775 we find the following entries :

Jan. 19. The French dispatched four of their ships for Europe.

Jan. 21. Monsr Thimolée Chief for Affairs of the late French East India Company by order du Ministre du Roi disposed of by publick auction their effects and Furniture amounting to about Tales 1300.

Jan. 22. The French dispatched one of their ships *The Fitz James* for Europe, on whom Monsr Thimolée Chief for Affairs of the late French East India Company takes his passage.

The ' Swede Residents ' left Canton for Macao on January 25th, and the ' Danish Residents ' arrived at Macao on February 15th.

The last of the English Company's ships of 1774 was dispatched on January 11th, and the Council for 1775 left for Macao on February 3rd ; they returned to Canton on June 20th, on the arrival of the *Morse*, the first of the ships of 1775. The interval between January 11th and February 3rd was occupied with making contracts ahead for the next season, and with taking delivery of tea under old contracts, designated as being for Ship No. 1, Ship No. 2, &c. The following are some among the new contracts :

2,000 piculs of Bohea tea at 14 taels, advanced 6 taels.
1,000 ,, ,, ,, 14 ,, ,, 6 ,,
1,268 chests Congou tea at 14 taels a picul.
250 ,, Hyson tea at 58 taels a picul, delivery in 294 days.
160 ,, ,, ,, 56 ,, ,, ,, 272 ,,
140 ,, ,, ,, 56 ,, ,, ,, 285 ,,
10,000 pieces Nankeens at Tls. 0·380, delivery in 296 days.

One entry is without further particulars of what appears to be a considerable contract :

Paid Puankhequa		
Adv. on Raw Silk & Bohea contracts	168,000	
Deduct ballance due Silk on credit	76,195	
		Tls. 91,805

Chinaware had formerly been bought from visible supplies, for immediate delivery against cash. Now contracts were made in advance for ware to be ordered from Kingtehchen and made to muster. Such a contract was made in September, 1774, for the requirements of three ships in 1775 ; and on July 17, 1775, a supplementary contract was made, delivery in 105 days, for a fourth ship of which advice had been received.

Hitherto in the records (to 1753) we have had the stock and investment of each ship kept separate, and usually with no

transfers from one ship to another. Occasionally one ship handed over a surplus from its stock to be invested by another in gold for account of the ship making the advance. In one year only, 1750, we have temporary loans made by ship A to ship B, all rigorously repaid within the same season. Now, in 1775, the Council kept one general continuing account for all the Company's transactions. The record for 1775 opens with the following entry (condensed) :

Jan. 12. We credit Stock in the Books of 1775 for the following particulars made over by the Council of 1774.

Bohea, 100½ chests, 2153 ch., 5798 pls. . . .	Tas. 79,965
Puankhequa, so much he owes	103,100
5 other merchants, due from them	25,706
Pearl, one from Bombay not sold	4,575
Silver so much remains in the Treasury . . .	131,614
	Tas. 344,960

The pearl had been received in 1773 and remained unsold for two seasons ; it was now, in 1775, sold for $7,500 = Tls. 5,400. The stock taken over by the Council of 1776 contained no Bohea, and was as follows :

Jan. 29. We credit Stock in the Books of 1776 for the following particulars made over by the Council of 1775.

Silver, so much remaining in the Treasury . . .	Tas. 154,236
3 merchants named, ' so much as he remains indebted '	24,025
	Tas. 178,261

And we debit Stock to the following merchants being the Ballance in their favour at the closing of the Books of 1775.

Puankhequa, so much due to him	Tas. 59,614
2 other merchants named	4,565
	Tas. 64,179

Though there was no tea in stock on the transfer of Council in January, 1776, it came in after the transfer in 1776, as it had in 1775.

There is another innovation of which we must take note—the Council did a banking business. ' Private English ' had come to Canton, under licence of the Company, for various specious reasons. One George Smith was allowed to come in 1764 for two years, to wind up his affairs there ; and after that period he stayed on year after year, against the protests of the supercargoes, often threatened by them with arrest and deportation, to which they were authorized, and even urged, by

the Court, and causing them much vexation and trouble. He and others engaged in the country trade between India and Canton, and were beginning by that means to supply the Company with the funds required for their investments, which it now found greater difficulty in providing in the shape of silver shipped from London. In an estimate of their assets available for providing the investments in tea and silk which had been ordered, the Council wrote as follows :

> By an estimate formed of our funds under a present view, without the assistance of any aid either from Fort St. George or Bengal, we find that after full payment is made for all goods contracted, purchased, and to be purchased, as also all Charges fully allowed for six ships, that exclusive of Tales 339,900 particularized in the 56th paragraph of our instructions, to be paid into the Hon^ble^ Company's treasury here, on certain conditions, and Tales 86,400, certificates from six Commanders ; tho on what at present indeed no certain dependance can be ascertained ; there will remain a deficiency of Tales 202,948 to make good the said investment of Raw Silk. Tho the amount may appear large, the immense sums lodged at this place, with no other view than to catch the first opportunity of a remittance ; moreover the expected bullion from Manilla, and other places, to answer the same purpose ; the eagerness the foreigners, as well as individuals, have expressed to embrace such an opportunity, indicates to us more than a possibility of attaining such a sum.

During the season, but chiefly at the close, on the departure of each ship, a total of 546,820 dollars was paid into the treasury by individuals ; for this sum the Council granted bills on the Court of Directors ' at the exchange of the season ', for the amount of £136,705 ; for which they debited their own account 393,519 taels. In addition the Council received 19,849 dollars = 14,281 taels from Mr. George Smith for a bill of exchange drawn on Mr. Smith's attorneys at Canton, ' on account of the freight due by him on the ship *Huntingdon* until the day she was lost ', and another bill from Mr. Charles Crommelin for 30,720 taels, making a total of 438,680 taels. Of this amount 107,515 taels were paid in by supercargoes of the Council, 8,637 taels by commanders of ships, and 322,528 taels, as far as can be made out, by private English not connected with the Company.

Until 1750 goods (woollens and lead) formed only a small part of the stock of the Company's ships from London, never more than 5 per cent., and often as little as 2 per cent. In 1775 lead

is still sent in about the old quantities, being now about 60 tons for each ship. Woollens are in considerably larger quantity. The out-turn of the stock for the five ships of the Company, including 150 tons of pepper in two of the ships sent by way of Benkulen, was as follows :

	Prime cost.	*Realized.*	*Profit + Loss —*
	£	Tls.	%
Cloth, 3,533 pieces = 120,411 yds.	62,400	167,367	—10·5
Long Ells, 26,600 pieces	62,145	180,880	— 3·0
Lead, 5,398 piculs	4,976	21,592	+43·3
Pepper, 2,584 piculs	8,977	32,044	+18·5
Pearl	1,525	5,400	+18·0
	140,023	407,283	— 3·0

By the five ships were sent 59 chests of silver, presumably £59,000 = 236,000 dollars = 169,920 taels.

We may now work out the cost of the investment for 1775 at Canton, including cost of the factory and charges on the ships chargeable to the Company and not to their owners.

	Tls.	Tls.
Balance from Council of 1774		340,395
Silver received against drafts, etc.	438,680	
Silver sent in the ships	169,920	
Realized from sale of goods	407,283	
	1,015,883	
Paid out for drafts on Council	31,345	984,538
		1,324,933
Net Balance to Council of 1776		114,082
Difference, Investment and Charges		1,210,851

In 1776 the goods forming part of the stock of eight ships realized the following sums, assigned to the merchants to whom sold :

	Woollens.	*Lead.*	*Asiatic Produce.*	*Total.*
	Tls.	Tls.	Tls.	Tls.
Puankhequa	63,712	5,294	17,610	86,616
Yngshaw	63,766	2,854	38,494	105,114
Coqua	31,360	2,826	26,642	60,828
Munqua	32,024	2,796	20,338	55,158
Chowqua	31,407	2,823	18,630	52,860
Kewshaw	31,793	2,827	15,106	49,726
Shy Kinqua	—	—	9,619	9,619
	254,062	19,420	146,439	419,921

Of the above merchants the first two were security each for two ships, and the next four each for one ship, and they bought each one-fourth or one-eighth part of the English products imported.

Of silver imported in the ships, particulars are given only for three, which had 135,177 taels as part of their stock.

To help out the China Council, the Council at Fort William (Calcutta) received into their treasury from 40 officers and others a total of 966,666⅔ Arcot rupees, for which they were credited with 420,520 dollars and given bills on the Court in London for £105,130. The rupees were shipped to Canton by H.M.S. *Sea Horse*,[1] invoiced as follows :

Arcot Rupees	966,666.	10.	9
Batta 8 ℔ Cent.	77,333.	5.	3
Current Rupees	1,044,000.		
Freight (3 ℔ Cent.) & Charges	32,398.	4.	6
Current Rupees	1,076,398.	4.	6

The actual out-turn at Canton was Tls. 293,826.

During the season the Council received Tls. 176,586 in dollars in exchange for bills on London, and paid Tls. 10,254 on bills drawn on themselves, a net receipt of Tls. 166,332.

The available assets of the Council of 1776 were therefore as follows :

	Tls.
Handed over by Council of 1775	114,082
Proceeds of goods by eight ships	419,921
Silver by ships, not less than	135,177
Silver sent by H.M.S. *Sea Horse*	293,826
Received in exchange for bills	166,332
	1,129,338

The supercargoes no longer bought gold as part of the investment for themselves or the Company. At the opening of the century the price had been at about ' touch for touch ', in the ratio of 1 : 10 ; in 1740 it was considered dear at 117 (1 : 12·5) ; in 1750 it was not obtainable under 140 (1 : 14·9) ; in 1775 gold of 94 touch was quoted at 152 (1 : 16·15), at which price there would be a loss on the prime cost without charging commission, freight, or interest.

The supercargoes were in 1775 troubled with a debasement of

[1] Cf. postea, pp. 10, 20.

their standard currency, the Spanish dollar. We have no further details than are given in the following extract :

> Puankhequa took the opportunity to acquaint us that tho' the Merchants had settled with us last year that the lately coined Head, or Face, Spanish Dollar should be received and paid with two ℔ Ct. added to the weight, they had now agreed with the Foreigners [other Europeans] to receive and pay Seventy two Tales of those for one hundred Dollars without any allowance for their inferior touch. . . . Mr. Wood begs leave to observe that were we now to agree to this proposal we should have nothing but Face Dollars paid into us for Bills as they may be bought at Market for two ℔ Cent less than Chopped Money and at least three ℔ Cent less than the new Milled Mexico which would make a considerable Difference to our Disadvantage who have Bills from Bombay & large sums to receive into the Treasury.

Advances were now made regularly, and for comparatively large amounts. The Council of 1774 left outstanding advances on unfulfilled contracts amounting to 128,805 taels. The Council for 1775 began at once to make contracts for delivery nine months later : for Bohea tea, 4,000 piculs at 14 taels, advance 6 taels a picul ; 3,000 piculs of Singlo tea at 15 taels, advance 7 taels ; and other teas at other rates. On January 28th they settled up with Puankhequa :

	Tls.
Advance on Raw Silk & Bohea contracts,	168,000
Deduct Ballance due & Silk on credit	76,195
	91,805

On December 8, 1774, the Council had contracted with Puankhequa for 500 piculs of silk at Tls. 275, and 500 piculs at Tls. 277·50, agreeing to advance him Tls. 240 a picul after the arrival of the ships of 1775—total contract Tls. 276,250, total advance Tls. 240,000 ; and on August 10, 1775, they began negotiations with him for deferring the advance, owing solely to the small supply of silver received into their treasury from the earlier ships.

In private trade the ships' captains now seem to have privilege of space much in excess of their former modest thirteen tons' measurement. On the *Royal Henry* in 1776 Captain R. Rous had private trade outwards from Canton to the following amount :

Tutenague	Piculs	500
Drug products	,,	400
Turmeric	,,	170
Hyson Tea	Chests	200
Cassia	,,	40
Mats	Bundles	190
Canes		31,871
Piece-goods	Bales	21
Chinaware, &c.	Boxes	30

The private trade of his officers included 46 chests of Hyson and 11 chests of chinaware.

The Court found ever-increasing difficulty in providing the dollars required for the China trade. Under date of July 25, 1777, the Governor and Council of Fort St. George wrote to Canton :

The Hon^ble^ Court of Directors in their Commands of the 3rd January last have inform'd us that in order to give all possible assistance to the increase of the China Stock, they have contracted for the value of Seventy or Eighty thousand Pounds of Silver, which they proposed sending to this Presidency, to be forwarded to you from hence by the China Ships of this Season. They recommended to us at the same time, that in case it should not arrive before the latest of the Coast and China Ships should have left us, we should use every means in our Power to supply the Deficiency by collecting a Quantity of Silver equal at least to the abovementioned sum, and consign the same to you. . . . Our situation however being such as render'd us utterly incapable of supplying the Deficiency from our own resources, the only methode we could devise for this purpose was to enter into such agreements here as might give you the option of receiving money into your treasury, in the same manner as was practised last year for Bills upon the Court of Directors. We accordingly accepted the proposals to this effect, which were then made to us . . . and have in consequence permitted them to load a Quantity of Tonnage as mentioned in the Manifest by the respective Ships free of Freight, in consideration of which they promise to pay to you the full produce of the Goods so laden in case you shall be willing to receive it, and to grant Bills on the Court of Directors for the sum they may so pay at the stated exchange of this year.

The Madras Council sent country produce to the invoice value of 19,229 pagodas (£7,692) by six Company's ships sent that year from Madras to Canton, and in addition 77 chests of silver (£77,000), with 10 chests more a possibility in the future. They then continue :

As you inform us in your letter of the 9th November [1776] that

you had received the supply of Treasure sent to you from Bengal by His Majesty's Ship *Sea Horse* amounting to Arcot Rupees 966,593 and do not tell us you will be in want of any further Assistance at present we trust the supplies now sent to you will be sufficient to answer the exegencies of the insuing Season in addition to which we are informed there are considerable sums now lying in the Hands of Private Merchants at Canton ready to be paid into your Treasury upon the same terms as those settled here whenever you may think proper to receive it.

By the *Marquis of Rockingham* from Bombay in 1777 was received :

22 chests of Treasure weighing . . .	66,907	taels
Add 5 ℘ Ct. better than Dollars . . .	3,345	,,
	70,252	,,

The woollens showed a loss of 10 per cent. on the cloth and 3 per cent. on the Long Ells, and this without any allowance for freight, which the Court always calculated at 10 per cent. on the cost. The Court had, from early days, insisted that English products should always be sold for cash, and not in truck, in order that a true estimate might be formed of the value of the trade. The supercargoes had always conformed to the letter of the injunction, but sales had seldom been made otherwise than in connexion with purchases of tea and silk. In 1775 this was done in dealings with the Security Merchants of the ships, in proportion to their importance : Puankhequa bought woollens to a value of 116,015 taels out of a total of 348,241 taels, and he supplied the greater quantity of both tea and silk. The Council at the close of the season informed Puankhequa that in 1776 they must have their Bohea one tael a picul cheaper, or, in the alternative, must receive an increase of Tl. 0·100 a yard for cloth and Tl. 0·200 a piece for Long Ells. The merchants declared that the former proposal was unacceptable, but undertook to consider favourably the latter. It was obviously a matter of indifference which proposal was accepted. The merchants all agreed to add Tl. 0·200 a piece to the price of Long Ells, but refused any increase in the price of cloth ; Puankhequa, however, from a desire to oblige the supercargoes, agreed to increase the cloth prices by Tl. 0·050 a yard ' for his ¼ share ', contracting at the end of January to buy one-fourth of the cloth to arrive in 1776.

The ships chartered by the Company are now of greater tonnage. Up to 1753 they were under 500 tons burthen, in the last years preceding that of a uniform tonnage of 498—the reason being that, up to 1772, the Company was by its charter required to carry a chaplain on each ship of or exceeding 500 tons. For 1777 the Company sent 9 ships to Canton, their tonnage, 'Builder's Measurement', ranging from 723 to 864; but the continental ships seem to have been still larger, as evidenced by the exports of tea in 1775:

	No. of Ships.	*Tea.* Piculs.	*Raw Silk.* Piculs.
English: Comp'y	5	26,918	2,112
Country	8	2,143	1,196
French	4	18,662	271
Dutch	5	36,929	133
Swedish	2	19,220	8
Danish	2	21,253	4
	26	125,125	3,724

The chests of tea were fixed approximately for each kind.
Bohea, chests about 260 catties, half chests 125 to 130 catties.
Congou, Souchong, chests 60 to 70 catties.
Hyson, chests about 45 to 50 catties.

Besides the Company's supercargoes, the 'Private English' at Canton also adopted the practice of staying on from season to season, joining in the annual exodus to Macao. Originally at Canton under special licence for private affairs, their continued residence there was much against the wish of the Company's agents. Writing of the attempt to revive the Merchant Gild, they record that

> Even the Private English residents at this place instead of shewing alarms, manifest their wishes for the Association's taking effect, which if nothing more, sufficiently serves to point out, how extremely opposite must their interest be, to that of the Hon^ble^ Company's in this Country.

At the close of the season they further record:

> Jan. 17. Wrote Mess^rs^ Crommelin, Smith & Dickenson, acquainting them, that we had this year received orders from the Hon^ble^ Court of Directors, that shou'd not publick notice have the desired effect, each individual must be address'd relative to his residing in China on his own private affairs.

All three still stayed on, however, and their names appear among those who bought bills on London in 1776. Among them some

at least went out of their way to give trouble. Mr. George Smith presented a bill on the Council for acceptance, which they desired to defer, and he refused at first; they offered 1 per cent. a month interest, the customary rate, and he held out for 1½ per cent.; he required them to rewrite nine sets of bills which had been dated on a Sunday; he flouted their order to leave China; and he was still there to give trouble in 1780.

The important features of the trade at Canton in 1776 were as follows:

	Ships.	*Silver, imp'd.*	*Tea, exp'd.*	*Raw Silk.*
	No.	Chests.	Piculs.	Piculs.
English: Company	8	150	41,820	?
Country	16	17	731	965
French . .	5	132	42,893	576
Dutch . .	4	148	36,427	259
Swedish . .	2	70	22,868	16
Danish . .	3	80	18,730	45
	38	597	163,469	1,861 + ?

XXXI

TROUBLES WITH THE HOPPO, 1775–1776

In the years 1775 and 1776 the supercargoes were in a position of some difficulty, created by several interesting factors which can best be dealt with in a chronological narrative.

Just as the Council were leaving Macao for Canton, on July 2, 1775, it was made known to them that

> an Association of ten Merchants, was on the point of being re-established at Canton under the protection of the Tzuntoc and the other Chief Mandarines for the welfare of the trade of this Country.

The report was confirmed at Canton, and they called a meeting of the merchants, to whom they protested that they were expressly forbidden to deal with the body or association, and were allowed to trade only with individual merchants, each for his own account; and they declared that they would appeal to the Viceroy. The Council ascertained that the other Europeans and the private English were not active in opposing the formation of the association. It was known as the Conhong—Kwanhang, Government Corporation, 'hang' being applied to the firms of merchants from whom tea and silk were bought, as distinguished from the tradesmen, boutiquistes, from whom fans, ivories, embroideries, and other petty articles were obtained. The matter was so far advanced that a public proclamation had been issued, and posted up in several places in the city and suburbs, in which it was ordered

> That the Europeans on the arrival of their several ships are to be informed that all imports must be sold to one of the body of the Security Merchants, who thereupon will become security for the ship.
>
> That of these Security Merchants they must purchase their returning Cargoes; as last year the Country ships on their departure were nearly empty, having bought nothing of the Security, but of the Shopkeepers, by which the Merchant was not repaid the Charges he was put to, and the revenue was trifling.
>
> That it is now ordered the Linguists and Merchants must demand of the Supracargoes, to whom they intend to sell, and of whom they

propose to purchase, till which is done, no one will be Security; consequently nothing will be permitted to be brought on shore, nor can the Ship remain at Whampo, but must depart incontinently.

That supposing any Ship should offer to depart at the end of the season without having purchased a full Cargo from the Security Merchant, the Mandarines are determined to punish the Merchants and Linguists.

That if the Europeans deny to submit to the above orders, the Merchants and Linguists are to report the fact.

And now occurred what at first sight appears to have been a tempest in a teapot, but was in fact an important element in the whole affair. On July 7th the Hoppo went, as was the custom, on board the first ship of the season, the *Morse*, to measure her.

During the ceremony of the measurage Yngshaw [the Security Merchant] informed us that the Hoppo was extremely desirous of viewing the several Clocks and other pieces of Jewellery which he was informed was on board the *Morse*, which he said the Commander had assured him cou'd not be done without the licence of the Supracargoes, and therefore desired that we wou'd give orders that the Hoppo's request might be comply'd with: He was told that most certainly the Hoppo must have received wrong information, for on Mr. Phipps's putting that question to the Captain, he had on his arrival; frequently since; and even that morning; declared to him, that there was neither Clocks or other Toys on board his ship except a P^r^ of a very trifling nature belonging to one of his Officers: This being explained to the Hoppo, he seem'd much exasperated and order'd the Merchants to tell us, that we seemed very inclinable to give him a great deal of trouble and willing to impose upon him, as his Secretary had been informed of, and had got lists of the particulars; by means of the Linguists from the Proprietors; and if he was not to be permitted to see them, he wou'd not measure the ship. Captain Kent then reported to us, that to his great surprise, he had that instant learn'd there was certainly a quantity of Jewellery which had been smuggled on board by Mr. Foxall, his Second Officer . . . that he had not the least suspicion of such things being in the ship. . . . The Hoppo's rage of gratifying his Curiosity by no means subsiding; the several packages were brought up from the steerage and carried into the roundhouse; where he retired and amused himself hours in critically examining each parcel, several of which he purchased, and immediately order'd into his Sampan.

After allowing the Hoppo some time to 'return into good temper', the supercargoes presented to him the memorial addressed to

the Viceroy and the Hoppo, protesting against the proposed Gild ; which, after a little more anger and much hesitation, and more explanations, the Hoppo consented to receive. After this, Yngshaw being Security Merchant for the *Morse*,

We beg'd to know the seniority of the Merchants that were to be appointed securities for our expected ships. The reply made us was that

Puankhequa	wou'd	be	security	for	Ship	No.	2
Tinqua	,,	,,	,,	,,	,,	,,	3
Munqua	,,	,,	,,	,,	,,	,,	4
Kewshaw	,,	,,	,,	,,	,,	,,	5

The importance of this episode is shown by the comment made on it by the Council :

We cannot refrain from expressing our alarms, that the shew of Jewellery on board this ship at this critical juncture, will furnish Yngshaw and Munqua who are confidently reported to be the two great abettors of this pernicious monopoly with fresh arguments for the hasty conclusion of it, and serve as a corroborating proof of their assertions, that the charges on the trade are become so burthensome, owing to the extensive quantity of Toys and Machinery imported here (consequently obliged to be presented to the Mandarines) that no one private trader can support the weight of it. Such arguments strongly enforced, we have great reason to fear, will draw the attention of the Mandarines, the consequence of which must most certainly prove fatal to the success of our remonstrance.

The Hoppo's answer to the remonstrance was not long delayed, but was received on July 10th :

That the Linguists were ordered to inform all Europeans that come to Canton to trade ; it always has been the custom to have a Security Merchant and a Linguist ; thro whom all their business must be transacted, and who are particularly appointed to take care that no deficiency in the Dutys does arise.

That they are by no means to deal with Shopkeepers, as they are in general known to be bad men, and thro them the Emperor becomes defrauded of his Dutys.

That it has every year been usual to affix a Chop in several parts of the City & Suburbs, to inform the Europeans that they are to trade with Hongists and no others.

Therefore how can it be said, that the Conhong is re-established ?

The Trade will be carried on as heretofore.

It was some time later, on August 20th, that the supercargoes were relieved fromtheir apprehensions.

We hear all thoughts of the re-establishment of a Conhong are laid aside, owing to the great influence Puankhequa has with the Mandarines, whose remonstrances have been very strong in opposition to it.

So once again, in 1775 as in 1771, Puankhequa deferred for a time the establishment of the Gild Merchant of Canton; but only so far as it was actually an official organization for the control of trade. On February 13, 1776, discussing the proposed increase in the price of woollens with Puankhequa, the supercargoes referred to a charge which seems to have been of the nature of a gild levy on the foreign trade. Referring to his complaints of the burdens laid on the Chinese merchants, they informed him that

he must be well apprized the merchants had more than sufficiently provided for those incumbrances by laying a charge of 5 ℘ Cent on Lead, 10 ℘ Cent on all other Goods imported exclusive of Woolens, and one Tale ℘ Pecul on all Teas exported; steps we must consider as affecting the engagements he had entered into with us, he acknowledges it was by his advice that 2½ ℘ Cent should be laid on Lead & 5 ℘ Cent on all other imports and no more as well as one Tale ℘ Pecul on all Teas exported; and defended it by urging it to be the most equitable mode of raising a fund for the Payment of the Jewellery & machinery which still continued to be imported to a considerable amount, and therefore were obliged to be purchased by the Merchants and presented to the Mandareens.

On July 12, 1776, while still at Macao, the supercargoes received news that the Conhong was likely to be revived, and that Puankhequa was the instigator of the action. They wrote to him protesting against his course, charging him with breach of faith, and intimating the possibility of an interruption in the profitable relations he had with the Company. Proceeding to Canton on August 13th, they had a conference with him.

By way of excuse he laboured much to prove by many evasive and fallacious arguments that this Association could not be termed a Conhong nor by any means affect the Interest of the Hon'ble Company but on the contrary must be a Security to their Property as by this means only the Merchants could be secured from ruin. We appealed to him whether an imposition of 10 ℘ Ct. the Merchants themselves had thought proper to lay (without publick sanction from Government for so doing) on the importation of Pepper, Lead, Tin, Cotton, Putchuck & Sandal Wood, as well as additional 10 ℘ Ct. on all Exports, a sum sufficient to raise a fund to the amount of upwards of 500,000 Tales,

said to be reserved for the Purchase of Toys & Jewellery to be presented to the Mandarines & other purposes. . . . Tho' he confessed a Deposit of 10 ℘ Ct. on the Imports, as well as 10 ℘ Ct. on all Exports was proposed yet he said if there was not a call for so large an amount the residue would at the end of the Season be repaid to each individual who had made such deposit. . . . We declared that we could by no means transact Business under such an oppressive Monopoly; that we should therefore take the first Opportunity to lay our Grievances before the Tzuntoc & Hoppo of whose Protection & Patronage should we not be so happy to avail ourselves we then should determine what step to pursue but they might depend the Abettors & Contrivers of such a system would infallibly on all occasions experience our just resentment.

They then prepared a petition to be delivered to the Hoppo, for the consideration of the Viceroy and himself, on the occasion of his measuring their next ship, the *Royal Henry*. The Hoppo's visit to that ship was made on August 24th.

Observing on going on board to attend the Hoppo at the measurage of the *Royal Henry*, that two Centinels were placed at the Roundhouse Door with Muskets & Bayonets fixed with intent to debar entrance to the Chinese in General till the arrival of the Hoppo; it was represented to Capt. Rous how unprecedented such a measure was, That it was unusual for any persons to enter the Ship but the Linguists, and Hoppo's attendants, and therefore it was apprehended the Mandarine would take umbrage at what might seem an affront to those under his Protection besides the appearance he might conceive it carried of an hostile reception. Capt. Rous replied that to his knowledge several Ships had been on these occasions plundered, that himself or Officers before had suffered, and that altho' his shew of Clocks and trifling Toys were inconsiderable yet he was determined to pursue this plan to prevent any thefts being committed on his Ship.

Unfortunately among the mob of Chinese turned back by the sentries were two of the Hoppo's secretaries, who complained and

set forth in the Strongest Colours the disgrace they had sustained whereupon the Hoppo instead of entering the Ship sent a message up by the Linguists to know the reason why his reception was under arms, a reception so different from what he had experienced on all other occasions.

Excuses were made, the sentries were represented as being a compliment, but the Hoppo was angry and demanded that the captain or the Chief should attend him in his boat and

apologize. 'Capt. Rous in peremptory terms refusing to do this', the chief mate went down, but was refused admittance, and

a Debate then ensuing whether Mr. Phipps condescending to wait on the Hoppo in his Boat would not be productive of a disagreable precedent, took up so much time that the Hoppo's Barge put off from the ship.

The *Royal Henry* was not measured, and no cargo could be discharged from her or laden on her. Then followed sixty-five days of friction and vexation, the supercargoes trying to limit the degree of their humiliation, the Hoppo pushing them on from concession to concession. They sent a message of excuse, which the Hoppo was ready to accept if it were sent in writing; this the Council rejected by a vote of four to three—Mr. Phipps being down with the illness from which he died, and the Council being reduced to seven. Three days later they sent the written apology; to which the Hoppo replied enumerating his causes of complaint, but undertaking to measure the ship when requested to do so by the Security Merchant. There were still 59 days to elapse before the ship was measured, although in the meantime other ships were measured. The supercargoes attributed the continued delay to a suspicion that

the Merchants were playing all the Tricks they could contrive to procrastinate the measurage of the Ships with a View as might be supposed to postpone the Delivery of our remonstrance addressed to the Tzuntoc & Hoppo proposed to be presented the 24th Ultimo, on board the *Royal Henry*.

A few days before they record this suspicion they had, on August 28th, been informed by Puankhequa

That the Duty of 10 ℘ Ct. that had been laid on the Importation of Pepper, Lead, Tin, Putchuck & Cotton, as well as that of 10 ℘ Ct. on all Exports was totally put a stop to; That no prices would be fixed on the Imports; That each individual Merchant would deal ad Libitum and the Trade in every instance carried on upon the same footing as since the abolition of the late Conhong.

The supercargoes debated on this and decided

that it would be highly impolitic to place a confidence in the bare assertion of a single Merchant in an affair of this confidence (*sic*).

On September 12th

The Hong Merchants returned with an answer from the Hoppo who they informed us insisted, before a day was fixed for measuring the

Royal Henry, that the Supracargoes should wait on him at his House in the City, and there apologize for the unprecedented and unhandsome behaviour that had been shewn his Secretaries on board that Ship the last time he was at Whampoa.

Nothing short of a submission in person would satisfy the Hoppo. The supercargoes declared to the Hong Merchants that

the unworthy treatment a former Council had some years ago experienced [presumably in 1759, when Mr. Flint was summoned to appear before the Viceroy] on a visit to the City rendered it impossible for us to run the risque of a like Disgrace, or putting ourselves in the Power of a Magistrate who shew'd himself to be so unsteady in his Resolutions.

Further representations through the merchants to the Hoppo only met with curt persistence in his demands. In former years the supercargoes had always held that personal audience of the Viceroy and of the Hoppo were rights which should be upheld in every way; in years to come it was a privilege which they were to claim and to be denied; but now, being designed as a mark of humiliation, they rejected the demand.

As ceremonial visits to the Hoppo had for several years past been suspended therefore one paid now on the terms he insisted could on no account be submitted to, nor should we be induced to enter the City Gates on any other account than being at Length reduced to that mode of representing our accumulated Grievances to His Excellency the Tzuntoc.

The question of the measurage of the *Royal Henry* was further complicated by the position of her captain, from whose sailorlike bluntness the difficulty had arisen. In addition to being commander, he was owner, or attorney, or consignee of a quantity of cotton (1,077 bales) and tin (2,858 slabs and 162 bags) laden on his ship, under licence from the Company upon condition of paying the proceeds into the treasury at Canton; and from this and other sources he, on September 19th, bound himself to pay in the sum of 90,000 taels in silver before December 20th. While the supercargoes were maintaining their attitude of refusal to make an apology in person, they were constantly receiving information that Captain Rous was with the merchants offering to take any steps that might be required to accommodate the matter, and specifically to go himself, or to send some of his officers, to express his regret for the mischance.

On September 18th Captain George Farmer informed the Council that his ship, H.M.S. *Sea Horse*, with 'nine lacks'

(actually 9,66,666) of rupees on board for the Company, had arrived at Macao,

and at the same time to assure you she has neither Opium, or other Merchandize on board (a Matter necessary to alledge) that the Chinese may be certified of her not being a Ship of Trade, or that she may be considered otherwise than a *King's Ship*: with respect to measurement in order to establish a Port Duty it is a circumstance which cannot be admitted of, or shall I suffer on any account: But as I wish to give the Officers of Government the fullest Satisfaction in my Power, I shall very readily concur with their sending Persons on board to make any other examination that they may be convinced she is not a mercantile Vessel, and likewise to their remaining there unless detrimental to his Majesty's Service.

The matter was referred to the Hoppo, and the merchants brought back word that

the Affair of the King's Ship would be easily settled after the Affair of the measuring of the *Royal Henry* was adjusted. That the Hoppo was very Childish and had given the Merchants a great deal of trouble on Account of that Ship, and still harp'd on some Gentleman's waiting on him at his House.

On September 21st the *Sea Horse* passed inside the Bogue, to avoid the danger of typhoons, which might be expected at that season, and anchored below the Second Bar. Had she gone on to Whampoa, it is almost certain that measurage would have been demanded, as was done in the case of H.M.S. *Argo* in 1764; even at the Second Bar the ship was in a doubtful position. The year before, in the summer of 1775, the French ship *L'Étoile* had arrived at Macao, and had demanded and had been accorded the status of a King's ship; in the autumn her commander had asked to be allowed to take his ship to Whampoa and pay measurage, and to load cargo for Chandernagore; after some demur, permission was granted. The case of the French *L'Étoile* must have thrown some doubt on the status of the *Sea Horse*, which had admittedly brought treasure for the trading operations of the English Company, and the Chinese authorities assumed an attitude of passive resistance and covert hostility. At Macao a pilot was unobtainable; from the Second Bar Captain Farmer wrote on September 22nd:

Should the Government refuse my landing the Treasure without Measurement (which I shall not submit to) I have seen nothing in my way up that can hinder my return to Macao; If there is a Necessity for that you will please to observe to the Mandarines that if they

order their Forts to fire one Gun to obstruct my Passage I shall return a Broadside, & soon convince them that these Forts are of very little use to stop an English Man of War.

They could obtain no fresh supplies of water, and had to ask that the longboats of the Company's ships should supply it; but their necessary refitting could be done on board.

On September 26th the supercargoes were informed that the Hoppo was the next day to measure two French, one Danish, and four English country ships which had recently arrived,

which was observed as an extraordinary Step of the Hoppo's as some of our Ships had arrived before the Last of those he had mentioned. Apprehensive that the Hoppo in order to see the Jewellery brought by some of the Ships, and to avoid receiving the Chop proposed to have been presented to him the day we went down to the *Royal Henry*, might take this Opportunity to slip on board and measure our Ships we determined that Mr. Browne [junior member of Council] should take down our Petition, and in such case deliver it to the Hoppo.

In the meantime Captain Rous continued his efforts to settle a question which, he declared, was not a Company's affair but a private one of his own, and he offered

to send his Officer into the City to apologize to the Hoppo for the Offence he had given him, on the Merchants giving him an Hostage the said Officer should not be insulted or ill used.

While at Whampoa on September 27th the Hoppo took notice of the *Sea Horse* and very angrily commanded that she be ordered up to Whampoa. After this the Company's ships came in one after the other, until there were eight lying there unmeasured and with their lading untouched on board. On October 17th the Hoppo went to measure them, the supercargoes waiting on board for an opportunity to make their apology to him.

We were silent on that head until he had finished measuring the *Norfolk* when we told him we were sorry for Captain Rous's having placed a Guard, and refusing his Officers admittance into the Roundhouse as he had taken it amiss altho we could assure him no affront was intended to them much less to himself from whom the English had experienced so many marks of Esteem which they were desirous of continuing to merit.

He answered he was not at all angry with the Supra Cargoes to whom he would give the most substantial Proofs of his Regard on all occasions, That he would not demand a Dollar for the measurage and usual Presents for the Man of War, and would give Orders we should

have a Chop to take out our Money. That he was glad to find no Affront was intended by the Captain, but he said tho' he was ever so much persuaded of the Truth of what we told him, that as the affair was now become publick, and looked upon as an Affront to the Government, he could not without disgrace to himself at this time measure the Ship: But that when a person had waited on him in the City; which was expected by the Magistrates he would return & perform that Ceremony.

The supercargoes could not prevail on him to measure the *Royal Henry* then, but they seized the opportunity to place the petition in his hands.

After a few days spent in trying to keep Captain Rous quiet, the supercargoes found it necessary to let him have his way, and on October 25th the second officer and the purser of the *Royal Henry* went in a dignified manner, carried in chairs, into the city to express Captain Rous's regret for what had occurred, and 'were politely received and had small presents made to them'. The Hoppo was out of his fit of petulance; the Chop for the treasure from the *Sea Horse* was issued on that day; and on the 28th the *Royal Henry* was measured and discharge of her lading could be begun.

At a meeting with all the merchants on October 25th the supercargoes were assured

that they did not now levy the ten ℔ Cent, nor would they in future, assured us they would give us the true value of our Imports, and in short that their Monopoly was at an End.

This was confirmed in all respects by a Chop from the Hoppo in answer to their petition, ending with the clause:

Should any Merchant exact the 10 ℔ Cent you mention, or otherwise impose upon you, acquaint me therewith, send me his name, and I will give you Satisfaction.

The supercargoes congratulated themselves that they had secured a success on a vital issue.

We have happily obtained a Dissolution of a Monopoly or as it was called a Conghong, formed by the Chinese Merchants during the absence of the Europeans from Canton which if it had continued must in a very few years have entirely ruined the Trade to this Port. The good effect of our Success begins already to be sensibly felt by those who had not been in a hurry to sell their Cargoes. We are now offered Tls. 14·20 for 7,000 Peculs of pepper brought by the Company's Ships which the Monopolists had fixed at Tls. 10·50, and Tin which they had set at Tls. 11·50 is now sold for Tls. 14 & upwards. Lead fetches Tls. 4 & Tls. 4·20 for which they would only give Tls. 3·60.

XXXII

THE FORESHADOWING OF DEBT, 1777

The ships of 1776 had been delayed in their working, and the last of them, sailing on March 5, 1777, carried home the Chief of the old Council, Mr. Francis Wood. The former Second, Mr. Matthew Raper, Jr., moved up to the head of the Council of 1777; he seems to have been efficient and masterful, and at times was in a minority of one or two, having voting against him all the remainder of the Council of ten of which he was the Chief. On March 11th, before the Council left for Macao, it is noted that

> An Express arrived at Canton in eleven Days from Pekin, with an Order for the Tsongtoc to set out in two days for the Province of Yunnan. The Fouyuen of Shantong is to succeed him but being a Chinese the Fouyuen is to take care of the European Trade at Canton.

This can only mean that, as the Governor of Shantung, acting Viceroy of the Two Kwang, was a Chinese, the office of Hoppo, until then provisionally administered by the titular Viceroy, was to be administered by the titular Governor of Kwangtung, a Manchu. The Canton Hoppoship was always kept in safe Manchu hands.

Two months later, on May 11th, the Council received a piteous appeal from Puankhequa,

> requesting that if no particular Affairs at Macao prevent, they will please to come immediately to Canton, to defeat a Scheme now in agitation, which in its consequences cannot fail of being extremely detrimental to the Company and totally ruinous to the Canton Merchants. To preserve himself and Family from the rapacious grasp of men in power, he has lately paid beyond his ability, and now fears that without their Influence and Patronage, he will scarce be able to convince them, how much he has the Interest of the english Company at heart. He further requests that this information may be made known but to the Gentlemen to whom it is addressed.

This letter seemed to confirm reports current at Macao that 'the Fouyuen was determined to establish a Conhong'; and,

hastening to Canton, the supercargoes summoned the merchants to a meeting on May 22nd. They were informed

it was very true such a thing had been in agitation but the Fouyuen had that very afternoon called them into the City and declared his Intention to let the Business be transacted as in former years.

Puankhequa's position is not clear. In 1771 he had been instrumental in securing, at a cost of Tls. 100,000, the abolition of the Conhong; in 1775 he was foremost in supporting the supercargoes against its re-establishment; in 1776 he was directly charged with being the principal 'abettor and contriver' for it; and now, in 1777, he is seen to be, apparently, ranging himself on the side of the supercargoes. His position must also have been difficult in other respects.

June 3. The Fouyuen, on his being appointed to superintend the European Trade, sent to Puankhequa and insisted on his carrying on Business in his own name, and not (as for some time past) in that of his nephew, also ordered him to attend in the City in the same manner as the other Merchants whenever called upon by the Mandarins.

The only actual difficulty which the Council of 1777 had with the officials was in connexion with cotton, it being notified on June 10th that

the Fouyuen had received from the Emperor an Order to prohibit the Importation and Sale of Cotton at Canton this Season.

This directly affected the Company to a limited extent only, as no more than 980 piculs had been imported on its own account, with 8,925 piculs additional on its ships on private account; but English country ships were recorded as having no less than 23,375 piculs laden on them, the greater part of the proceeds of which, about Tls. 200,000, would be likely to go into the Company's treasury against bills on London. The crisis was not, however, of long duration. On July 26th notice was given that

The Emperor having received Intelligence from the Tsongtoc of Yunnan, that the People of Pegu, by means of the Cotton they sold to Europeans, were enabled to maintain their opposition against the Chinese, gave orders that no Cotton should be imported by the Europeans into the Empire of China. Since that time the Government of Pegu have submitted and agreed to deliver up the Son of a Tsongtoc, whom they had a considerable time detained prisoner; the Emperor therefore having now no longer any reason to be at variance with the said People, hereby orders the Mandarins to acquaint the Europeans,

that they are at Liberty to carry on their [trade] in Cotton at Canton as usual.

With continuity in the Canton trade, the supercargoes no longer closing up all accounts and sailing away in their ships, there had come a change in methods. In the Company's transactions advances were common, and current accounts were kept, the balances being generally due to the Company, and sometimes to the merchants. On opening the books for the season of 1777 on February 25th, there was a balance due to Puankhequa of Tls. 58,725, which was paid to him two days later; on the other side Tls. 74,542 due from six merchants and one member of the Council. Of the six merchants, two gave trouble.

Wayqua, indebted in the sum of Tls. 11,726, was found to be unable to pay, either in money, or in the goods for which he had received advances. The law was invoked by a petition presented on October 8th to the Hoppo; and on November 10th we find the entry:

Received into the Treasury:
From the Fouyuen, on account of Wayqua, Tls. 11,216.

The difference, Tls. 510, was debited to profit and loss.

Coqua owed the Company Tls. 20,388. He was one of the Security Merchants, and on May 23rd the Council voted that

we do not think it expedient to keep back his eighth part of the woollens by the *Earl of Sandwich*, but have agreed to deliver the same to him, on condition that all the partners of the House sign a Writing, acknowledging themselves accountable for the Amount, and promising to pay before the Departure of the Ships.

This decision was not carried out, however, and Coqua received no woollens in 1777, but only an eighth part of the lead from the nine ships, value Tls. 3,008. On November 25th he was summoned before the Council to explain his inaction in paying the 1776 account; on December 14th it was decided not to push him to extremes, lest it should bring about his bankruptcy; on the 22nd, as he studiously avoided meeting the supercargoes, Mr. W. H. Pigou was delegated to hunt him up; on the 23rd Coqua promised to begin packing Bohea tea for them within four days; and on January 25th

Coqua declared to us that for want of a small sum to advance to the Country Merchants he could not get his Bohea and green Teas out of

their hands, but that if the Council would advance him three thousand Tales, he would immediately pack. . . .

There is no record of the money having been paid, or of the tea being packed, within the month following.

The supercargoes have large trading transactions as agents for others. They all pay sums into the treasury against bills on London in favour of their nominees, the amounts being somewhat in proportion to their position; they received sometimes goods, sometimes silver, on consignment from constituents in India; but, remaining in Canton, they could no longer have an interest in any portion of any one ship's lading. In 1776, being Fourth of Council, Mr. W. H. Pigou paid into the treasury Tls. 77,367 in silver out of a total of Tls. 116,332; and in 1777, being Third of Council, he paid in Tls. 235,539 of a total of Tls. 1,022,147; sometimes in his own name, sometimes jointly with a colleague or with a private merchant. The captains also paid in fairly large sums; Captain Rous of the *Royal Henry*, under special privilege, paid in Tls. 90,000 in 1777.

Yngshaw at the close of the season on February 3, 1778, was heavily in debt, and among his debts was one of Tls. 45,000 to the Company and one of Tls. 80,000 to Captain Parks of the country ship *Favourite*,

which would detain Capt. Parks's Ship long beyond the usual time of sailing and probably bring on an Enquiry from the Mandarins why that as well as the other Vessels did not leave the Port, Mr. Bradshaw was apprehensive such a step might be productive of the most fatal consequences to Yngshaw . . . this the most important point that for many years had come under the consideration of the Council.

Captain Parks had been licensed to carry 1,142 candys of tin from Madras to Canton free of freight, on condition of paying the proceeds into the Company's treasury; this would have realized fully Tls. 80,000. Yngshaw had been unable to pay because the Danish Company had held back 40,000 dollars due to him for tea delivered as an offset for Yngshaw's debts to private Danish merchants; and the Swedish Company had withheld money for the same reason. The Dutch Company were, however, prepared to advance money, if the English would do the same. Four days later Yngshaw delivered fine teas to a value of Tls. 10,000, and undertook to 'pack 2,000 piculs of Bohea in

the course of this month at 11 Tales ℔ Pecul', the usual price being Tls. 14. It was then, on February 14th, proposed to 'accommodate' Yngshaw in the following manner:

	Tls.	Tls.
Due by him to Captain Parks	80,000	
Due by him to the Company after he shall have packed the 2,000 piculs of Bohea	12,000	
		92,000
Advance at Tls. 6 on 3,000 piculs of Bohea contracted for	18,000	
Advance at Tls. 12 on 2,000 piculs of Singlo contracted for	24,000	
Capt. Parks to receive in goods next year . . .	20,000	
Dutch Comp'y to advance	30,000	
		92,000

One case of indebtedness was very ominous for the future. The Presidency of Madras wrote asking the good offices of the Council in collecting 'certain sums of money due from sundry China Merchants to Mr. George Stratton'; but the Council returned answer that it was 'an affair of which we could not with any degree of propriety take cognisance'. A similar case of money due to one of their members was dealt with otherwise.

Shy Kinqua made the following Proposal to the Council, that being indebted to Mr. Pigou a sum of money which he was not able to discharge in Silver, in order to acquit his obligation he would deliver 60 Bales of Raw Silk to the Council and receive Bills . . . to the order of Mr. Pigou for the amount, as the Raw Silk is of good Quality and we hereby procure so much more of that article without diminishing our Stock, we agreed to receive it and pay him 270 Tales ℔ Pecul.

The bills on London (at 12 months after sight, without interest) were granted this season at the exchange of 5*s.* 2*d.* per dollar. The dollars sent from London were invoiced, not at the customary 5*s.* per dollar, but at a prime cost of 5*s.* 5¾*d.* per oz. for new Mexico, and 5*s.* 6¾*d.* for old Mexico; no Seville dollars were sent. This indicates the increasing difficulty of finding the dollars. Three of the ships brought rupees from Madras, the invoices recording calculations similar to the following:

11 chests Bengal Sicca Rupees ea. of 10,000 is 110,000 S.R. makes Curr^{t} R^{s} 127,600 @ 110 Curr^{t} Rup. ℔ 100 B^{y} R^{s} is B^{y} R^{s} 116,000 @ 2 ℔ Ct. Batta makes A R^{s} 118,320

@ 350 ℔ % is . . . . . Pagodas 33,805 25 5

@ 8s. ℔ Pag. is . . . . . £13,522 5 0.

The entire profit on the Company's imports was more than

covered by the profit on the pepper alone, as shown in the following figures :

	Profit. Tls.		*Loss.* Tls.
Camblets . .	3,937	Broadcloth . .	6,465
Lead . . .	8,650	Long Ells . .	3,496
Cotton . .	1,619	Furs (damaged) .	6,180
Pepper . .	25,199		16,141
	39,405	Net gain . .	23,264

The English products gave no profit even at the arbitrary prices fixed in veiled truck. Among the imports of the year were flints, 570 tons (9,548 piculs), carried as ballast by each of seven of the Company's ships, and finding a market at Canton at prices from Tls. 1·50 to Tls. 2·00 a picul. They were so carried from England to China for a hundred years after this date.

At the close of the season the Council made their contracts with five merchants for the ships of 1778, each to take a certain part of the woollens at the fixed price, and with seven to supply tea and silk at the price of the previous year :

Puankhequa : ¼ of Woollens ;	Bohea tea, 3,000 piculs Twankay & Singlo, 2,000 piculs Hyson, 200 chests Raw Silk, 600 piculs certain 600 „ optional
Yngshaw : ¼ of Woollens ;	Bohea tea, 3,000 piculs Twankay & Singlo, 2,000 piculs Hyson, 200 chests
Munqua : ¼ of woollens ;	Bohea tea, 3,000 piculs Twankay & Singlo, 2,000 piculs
Chowqua : ⅛ of woollens ;	Bohea tea, 1,500 piculs Twankay & Singlo, 1,000 piculs Raw Silk, 600 bales (abt. 420 piculs)
Kewshaw : ⅛ of woollens ;	Bohea tea, 1,500 piculs Twankay & Singlo, 1,000 piculs Raw Silk, 300 bales
Howqua : no woollens ;	Hyson, 100 chests Raw Silk, 112 bales
Shy Kinqua : „ „	Hyson, 100 chests

The prices were : Bohea Tls. 13·50 @ 14, Twankay Tls. 22, Singlo Tls. 20, with advance (of half the price) immediately ; and the price increased, Bohea half a tael, Twankay and Singlo one tael, if the advance were postponed until the arrival of the first ship with silver. Subject to quality Hyson was at 56 taels and silk at 265 taels a picul. Under his contracts Tls. 30,000 were paid out to Yngshaw.

Under date of February 8, 1778, we have an entry which is suggestive of growing burdens:

> All the Supra Cargoes of every Nation presented a petition to the Fouyuen requesting an Answer to our former Chop about the Impositions going to and coming from Macao.

On the 27th the Governor promised to 'give the necessary orders to prevent our labouring under the like in future'.

The principal features of the trade at Canton in 1777 were as follows:

		Ships.	*Silver imp'd.*	*Tea exp'd.*	*Raw Silk.*
		No.	Chests.	Piculs.	Piculs.
English	Company	9	77	49,962	1,829
	Country	9	14	949	1,142
French		7	128	27,332	408
Dutch		4	51	35,218	208
Swedish		2	65	21,384	15
Danish		2	31	15,737	117
		33	366	150,582	3,719

In the private trade there were, addressed to gentlemen of position in England, many casks of sherry and madeira which had made the round journey for the betterment of its flavour, seventeen by the *Stormont* alone.

XXXIII

DISSENSIONS IN THE COUNCIL, 1778

THE Council of 1778, Mr. Matthew Raper remaining its Chief, took over on February 28th the following stock :

		Tls.	Tls.
Bohea, 1,793 piculs			24,747
Silver in treasury			155,564
Debts to Company :	Yngshaw		58,078
	Coqua		11,532
	Other debtors		15,528
			265,449
Creditors, due to :	Puankhequa	85,482	
	Other creditors	83,640	169,122
Balance to Credit			96,327

On March 16th from the silver in hand Tls. 152,250 was paid to these creditors, and before that date tea to the value of Tls. 12,301 had been received from Yngshaw.

The Company sent no Indian produce on its own account, but encouraged large shipments under the privilege of free freight and the condition of paying the proceeds into the treasury at Canton. Of the English products, woollens realized Tls. 351,513 (a loss of 5 per cent.), and lead Tls. 33,243 (a profit of 99 per cent., both on the prime cost without freight or interest). In addition 8,004 piculs of flints were carried in the ships. A consignment of furs from London, invoiced at £3,586 net cost :

> Sold the Furs received by the *Lord Holland* to Assu for 8,500 Dollars [£2,125] as Chowqua is Security [Security Merchant for the ship] we debit him for the amount.

The Security Merchant was designed to secure the payment of all dues payable for the ship to the Hoppo and the Officials generally ; in this case it is not clear if the supercargoes debited Chowqua because they wished, as acting for the Company, to have dealings with the Hong Merchants only, or because they

wished to have for themselves the same security that the system gave to the Chinese officials.

The dollars brought in the ships, 114,000 dollars, were again invoiced at 5*s.* 5¾*d.* per oz. for new, and 5*s.* 6¾*d.* for old. The principal resources of the Council again came from payments against privileged Indian produce. Mr. Thomas Ferguson was to receive from the Governor and Council of Madras advances of 483,544 Sicca Rupees, in consideration of which he

> engaged to pay into the Treasury at Canton the sum of Spanish Dollars 205,555 [exchange 100 S.R. = 42·5 Sp. dollars] on condition he may be permitted to send 4,000 Bales of Cotton and 6,000 piculs of Tin freight free on the Hon'ble Company's Ships to China, to be consigned to one or more of the Supra Cargoes jointly with his agent and in case a sufficient quantity of the above goods should not be procurable to make up the Sum in Pepper, Silver or Gold.

Mr. Charles Grant made a similar contract 'to pay 150,000 Current Rupees at the rate of 40½ Spanish Dollars for 100 C.R.', and Mr. Thornhill for an amount not recorded. One of the conditions explains how it comes that the supercargoes pay such large sums into the treasury. Under these contracts large quantities of Indian products were in 1778 carried in the Company's ships, not directly for the Company, but for private merchants, besides other large quantities in country ships :

	Company's ships.	*Country ships.*
	Piculs.	Piculs.
Cotton	7,020	19,344
Tin	5,473	10,304
Pepper	2,609	5,123
Putchuck	842	3,254
Sandalwood	980	1,468

Those who had paid silver into the treasury asked at an early date to receive their bills on London—payable at 12 months after sight, without interest—their intention being to send them by way of Suez or by a foreign ship.

> The Majority of the Council came to the Resolution not to deliver the Bills to those People who had paid Money into the Treasury, more than ten Days before the Departure of the first Ships . . . forwarding them by Suez or by some foreign conveyance we conceive to be not only highly improper, but contrary to the intentions of the Hon'ble Court, as they may by that means be presented for acceptance some Months before any Advices can possibly be received from this Council.

This was signed by ten of the twelve members of the Council, the youngest member being absent, and the Chief, Mr. Raper, alone protesting,

as it is a proceding very unmercantile unless the Money had been received on that condition. As the Bills are to be paid at twelve Months after Sight, even supposing the earliest arrival in England they could not become due before the expiration of the six Months credit on September Sales. . . . Moreover as it is an universal Custom where Monies are paid on Account of People in India to remit the third Bill by the first Opportunity it must be very disagreeable to those especially who are returning not to have their third Bills as formerly to deliver to their constituents.

Two days later six members, headed by Mr. Raper, signed a minute reconsidering the decision of the Council, four signing a protest, and two abstaining from signing either. Ten days earlier Mr. Raper had been in a minority of one against his whole Council, in a trivial matter in which he was unquestionably right and they wrong; and on several occasions later in the season he was at variance with the body of his colleagues, in matters in which the unbiased student of the records can detect a desire to maintain a policy of pin-pricks against an over-masterful chief, too fond perhaps of direct action and prompt decision, and too little considerate of the dignity of junior members of the Council.

A private merchant, Mr. Edward Raphael, offered to pay into the treasury 50,000 dollars, to take bills this year for one half,

and the remainder to stay in our Treasury with Interest of 10 ℘ Cent and the next Season at his option either to be paid back to him or the Council to give Bills on the Hon'ble Company at the Exchange of the Season.

The supercargoes accepted the money, but reduced the interest to 8 per cent. and required that bills should be taken for both halves. There is no entry of any such amount from Mr. Raphael; but the Council agreed 'to take from Captain Ferrier a Sum of Money belonging to Mr. Thornhill at Interest'; and at the close of the season the statement of assets and liabilities includes among the liabilities

Interest Bonds, Tls. 46,080,

the equivalent of 64,000 dollars.

Without the private merchants it would seem that the Company would have had great difficulty in providing the means for transactions of the magnitude now common; and yet it was the policy of the Court to repress them.

Jan'y 18. Wrote to Messieurs George Smith, Abraham Leslie, Richard Lockyer and Thomas Dickinson that the Hon'ble Company would by no means permit their Residence the year round in China. Acquainted Mr. Hutton by Letter that he had the Hon'ble Court's Permission to remain three years & no longer to settle his affairs in China. In compliance with our Instructions to give publick Notice to all private people not to remain in China after the Departure of the Ships we wrote out the 58th Paragraph and posted it up at the Factory Gate.

Jan'y 19. Received a Letter from Mr. George Smith in answer to the one we sent him not to remain in China after the Departure of the Ships as we thought it a very extraordinary one we have sent the Copy of it a Number in the *Earl of Mansfield's* Packet.

Mr. Smith had set the Company at defiance, had renounced their jurisdiction, and had claimed the protection of the Chinese Government.

The Conhong was a sword of Damocles always hanging over the heads of the supercargoes, but, so far as can be made out, the threat was still of a gild levy and mercantile combination, and not of a government monopoly. On September 10th the merchants were accused of an

Intention to lay a Duty of 1 Tale ℔ Pecul on all Imports & Exports except Woollens & Raw Silk, but this they positively denied.

Sept. 26. The Council took into Consideration the foundation there might be for the strong Reports that were circulated of the Merchants Intentions to establish a Conghong or what would be equally pernicious in its consequences tho' under a different Name, when it was universally agreed it would be proper to present a Petition to the Hoppo.

Accordingly, on October 2nd, on the occasion of measuring the ships, a petition was handed to the Hoppo

requesting that he would give us his promise that no Conghong should be established.

Oct. 7. The Hoppo sent an answer to our Petition whereby he acquainted us that he would prevent any Combination and desired the Europeans would not be too credulous with respect to such Reports.

Coqua, who at the close of the previous season owed the Company 11,532 taels, gave some trouble, and the merchants were

consulted on the advisability of 'presenting a Petition to the Mandarins as the only means left to recover our Right', a method which had been effectual in Wayqua's case the year before. It was, however, ultimately decided that

it would be a much more eligible mode for the Person who took the share of our Business which had formerly been allotted to Coqua should take the whole Debt upon himself to pay in two years, and accordingly asked Munqua whether he was willing to continue to hold this part of the Woollens on those terms or would rather chuse to give it to some other Merchant many of whom were eager to get it.

Two members of Council signed a minute protesting against this proposal as being manifestly unjust; but Munqua accepted it and

has taken on him to pay Coqua's Debt on having his share of the Woollens continued next year.

It must be remarked that this was a direct encouragement of the Conhong idea, and strengthened the solidarity of the Hong Merchants in their dealings with the supercargoes.

Two events occurred which were annoying, though not serious. A robbery of 36,000 dollars in silver occurred on the *Royal George*, and the Hoppo was petitioned to order an investigation and procure restitution. The supercargoes, receiving no answer, believed that the linguist had not delivered the petition, and sent a duplicate to the 'first Hoppo House'; but up to the close of the season no action had been taken.

On November 29th, in a drunken row between English and Dutch sailors at Whampoa, the English had cut down the Dutch flagstaff and towed it, with the flag, to one of the English ships. The Dutch supercargoes demanded that the flagstaff should be re-erected and the flag re-hoisted by an English officer. The English supercargoes offered to give them a new flagstaff and flag and

desired they would give orders to prevent Liquors being sold at their Banksauls as that had been the occasion of the dispute.

The Dutch persisted in refusing to recognize the affair as a

mere disturbance of the common Sailors but as many Officers were present they could not but esteem it a national affront, and therefore must persist in demanding satisfaction.

The English supercargoes refuse to enlarge a trumpery affray, renewed their offer to replace the flagstaff,

and if they did not esteem that Satisfaction adequate we must suffer it to rest as it was.

At the close of the season, early in March, 1779, the Council contracted to give the woollens imported in 1779 in the same shares at the same prices to the same merchants. As they estimated that they had enough Bohea delivered or in course of delivery, they contracted for 10,000 piculs of Singlo and Twankay, 1,200 chests of Hyson, and 900 bales of raw silk, on the same terms as last year—delivery in November, with a penalty clause in case of non-delivery by January 10, 1780.

The particulars of the trade of 1778 are as follows :

		Ships.	*Silver imp'd.*	*Tea exp'd.*	*Raw Silk.*
		No.	Chests.	Piculs.	Piculs.
English	Company	7	32	40,245	1,827
	Country	10	5	2,740	277
French		4	90	15,776	390
Dutch		4	131	34,152	281
Swedish		2	61	24,437	—
Danish		1	33	10,414	186
		28	352	127,764	2,961

It will be observed that, while the English trade has to a great extent freed itself from the necessity of importing much silver, the French, Dutch, Swedes, and Danes are still importing it in large quantities.

The same Council carried on into the season 1779, opening its books with the following assets :

	Tls.
Tea, Bohea, 8,269 piculs	115,411
Silver in treasury	220,328
Due from Coqua 5,531, Exchin 14,788	20,319
	356,058
Per Contra : due to Chinese merchants 152,032	
Interest Bonds 46,080	
	198,112
	157,946

Seven days later payments amounting to Tls. 189,082 were made to the merchants who were creditors in that account.

In February, 1779, the French Government had signed a treaty

recognizing the United States of America; and on September 19th the supercargoes note as having been received in the packet by the frigate *Sea Horse* from the Governor and Council of Madras:

> By advices received over Land dated the 23 March no War declared but Hostilities carried on very briskly, the French Trade had suffered much damage. The reduction of Pondicherry [Oct. 17, 1778] much approved by the King and Nation in General.

As a further echo of the impending war we may note that the ship *Morse* brought from Bombay *en route* for England 2,221 Pucca maunds of saltpetre; and by the same ship came

> a Letter from the Select Committee at Fort St. George acquainting the Council that Messieurs Desvœux and Boutet had permission on their Parole to proceed by the way of China for Europe.

One letter is of special interest, and, by reason of the signatures appended to it, of greater interest to us than it was to the supercargoes of 1779. It was from the Governor-General and Supreme Council, dated Fort William, March 24, 1779, announcing the appointment of Lt.-Gen. Sir Eyre Coote to the Council and to be Commander-in-Chief of the Forces in India; and it was signed by

Warren Hastings.
Rich[d] Barwell.
P. Francis.
Edw[d] Wheler.
Eyre Coote.

The India and China fleets were late in sailing, leaving Spithead on March 10th convoyed by six sail of the line, a frigate, and a sloop of war, under Vice-Admiral Sir Edward Hughes; and the arrival at Canton of the ships for China was late and irregular. To supply the Council with funds the Councils of Bombay and Madras encouraged private merchants to send silver to Canton freight free at the Company's risk, to be paid into the Council's treasury at Canton against bills on London free of commission. In this way a considerable sum was in the hands of the Council early in the season, as follows:

	Current Rupees.
By frigate *Sea Horse*	381,816
By the *Shaw Byram Gore*	53,333
,, *Virgin Dove*	146,667
,, *Calcutta*	1,000,000
	1,581,816

The out-turn of the silver by the *Calcutta* was entered as follows :

						Tls.
25 ch. Furruckabad rupees	591,000,	4 ℔ Ct. better than Dollars				184,889
6 ch. Lucknow rupees	15 Sun (year)	Sa	142,005,	5 ℔ Ct. better	.	44,760
6	„	„	17 „	139,000		
2	„	„	18 „	41,000	1 ℔ Ct. better .	71,537
3	„	„	19 „	57,051		
						301,186

The Company always imposed many restrictions on the officers and crews of their ships during their long stay at Whampoa ; and the restrictions were kept in force, though their purpose was often defeated by the Chinese dealers, who sold vile spirits to the men, notwithstanding all prohibitory edicts. The following are some extracts from the instructions which were issued to each ship on its arrival :

That you, your Officers or Ship's Company, are not to run any Goods on pretence of saving the Customs of this Port.

That whoever shall in future presume to carry home more Tea than allowed by the Hon'ble Company's indulgence will actually be charged with thirty ℔ Cent thereon.

That neither you nor your Officers are to go ashooting on any pretence whatsoever, and that you give positive Orders to your Officers to keep your Ship's Company within the bounds of Sobriety and Decency so as not to give offence to the Chinese Government.

That Dane's Island was some years past [in 1756] appointed by the Chinese Government for the English Seamen to walk and divert themselves upon and French Island for the French to prevent any quarrels between the two nations. You are therefore hereby ordered not to suffer your People on any account to go to French Island and when they go to Dane's Island you are to give Orders that they do not break the Graves nor any way molest the Chinese : this prohibition with regard to French Island does also extend to your Officers.

That you inform us at the time of your departure from China in the most certain and precise manner of the actual Quantity of Gun Powder on board your Ship for the homeward bound Voyage.

That the Court have thought proper to prohibit the carrying out to Canton without their special licence any Clock, Watch, Temple or Toy, or other curious article whatever, of which prohibition the Commanders of all the Ships now proceeding thither for their Officers themselves and Ships Company have had due notice ; in case therefore any such articles are landed at or brought to Canton by any person or persons whatever you are to seize and confiscate them to the Companys use and the Offender or Offenders, be they whom they may, on our being

fully inform'd of the circumstances be subject to a dismission from the Companys services.

Owing to the certainty that the China fleet from London would be belated, the Supreme Council in India sent on the *Calcutta*, which reached Canton on July 5th, the *Morse*, which arrived on September 30th, and the *Royal Henry*, arriving October 19th. Two of the London ships reached Canton on October 3rd, bringing two members of the Select Committee, which on that day took over the control of the Company's affairs in China.

XXXIV

THE CHINESE DEBTS, 1779

The Select Committee which now for the first time represented the Company at Canton was composed as follows :

Mr. Thomas Fitzhugh, President,
Mr. Thomas Bevan,
Mr. Matthew Raper.

Mr. Raper's colleagues on the Council, eleven in number, remained in their functions as supercargoes. The Company's factory was now occupied from year to year, the annual rent being Tls. 2,150 ; and at Macao the staff occupied four houses in close proximity.

No French ship came to Canton this year, but there was, for the first time since the visits of the Ostenders, a ship under the Imperial flag.

The *Prince Kaunitz* a ship with an Hungarian Pass imported here the latter end of September. She came from Port L'Orient. The Managers and Seamen are french. It is said she is to sail for Triest, and it is pretended she belongs to a set of Merchants called the Triest Company.

The French had a government agent at Canton, whom they styled Consul.

The French appointed a Consul to reside here two or three years ago. He has the power of deciding all disputes &c[a] between his own countrymen, but the Chinese only apply to him if any quarrel happens between the Chinese and french, as they would to the Chief of any other nation ; nor does the Chinese government, we believe, look on him in any other light.

The Select Committee had at the very outset a practical illustration of the arbitrary methods which the Chinese authorities conceived that they might employ in their dealings with Europeans.

Oct. 6. This morning all our China Servants were ordered out of the Factory. On enquiring the reason of so extraordinary a pro-

ceeding, we were informed it was occasioned partly by some irregularity of the Dutch, & partly by the behaviour of Mr. Ab^m Leslie. . . . That therefore the Mandareens suspecting Servants might be employed in such business, had put in force an Edict made in the year 1759 & had ordered them away.

The *Morse* was fully laden with pepper, which realized Tls. 135,576; and the two ships from London had only small cargoes of woollens and lead, realizing Tls. 80,246 and Tls. 10,542 respectively. The Select Committee were, however, sanguine of the future prospects:

By the Indent for Woollens [for 1782] will be seen how much the importation of that important article may be increased; especially as quantity, not profit, appears to be the object of the Company; and indeed a large importation is the only effectual check on private trade and the foreign Companies.

In effect the Court were encouraged to pursue the policy of dumping (quantity, not profit), but they were warned that English woollens had

not only miserably fallen off in point of substance and fineness, but are deficient in measure; what adds to the grievance is that Foreigners keep up what they bring to an approved standard of goodness.

Lead could also be increased. In 1779 the English ships brought 3,757 piculs, while nine Dutch, Swedish, and Danish ships brought 19,100 piculs; but the price obtained was Tls. 6·00 a picul, against only Tls. 4·20 previously.

The trade of Canton in 1779 was as follows:

	Ships. No.	*Silver imp'd.* Chests.	*Tea exp'd.* Piculs.	*Raw Silk.* Piculs.
English { Company	5	—	23,621	1,605
English { Country	8	—	1,533	2,027
Dutch	4	116	35,159	250
Swedish	2	58	19,698	17
Danish	3	88	29,877	211
Imperial	1	125	10,320	154
	23	387	120,208	4,264

The silver in this statement is only the quantity imported on the Companies' account; but the English Company received into its treasury a large quantity brought in on private account,[1] both in gold and in silver. It took in Tls. 825,073, for which the

[1] Cf. *antea*, p. 36.

Select Committee issued bills on London at 365 days after sight, at the exchange of 5*s.* 2*d.* per new milled Mexico dollar. This was sufficient for their needs, but they then received Tls. 712,923, for which they granted bills at 730 days after sight, at exchange of 5*s.* 3*d.*; and then they peremptorily refused to receive four lakhs of rupees (about Tls. 130,000) which were imported by the *Royal Henry*. At the close of the season they reported to the Court that their investment for the five ships, including charges, measurage, &c., was Tls. 1,022,694; that the 'surplus stock remaining in our Treasury' was Tls. 973,010; and that, from the woollens and lead by the four ships of 1779 which had lost their passage, they expected to realize Tls. 291,992.

The Tls. 1,537,996 received into the treasury was in both gold and silver. The silver dollar must have been lowered, during the period in which the records are missing, from the old touch of 94 for current silver to 92; and the recent lowering of 2 per cent. for the head or face dollar was from 92 to 90. This rate of 90 was the rate for dollars ($100 = Tls. 72) all through the nineteenth century.

> The Rule of paying Silver on the Company's Account at Canton, has ever been to reduce every species to 92 Touch, being nearly the fineness of old milled Mexico Dollar. . . . The new Spanish Dollar distinguished here by the name of Head Dollar is only reckoned 90 Touch; and in our payments and receipts we always reckon 2 ℔ Cent. . . . The rule of the English Company here has been to pay by weight, and to bring all the variety of Silver, which has passed through the Treasury, to the standard of 92 Touch. This custom, we believe, had never been deviated from; and it is founded on justice; because Dollar money of that goodness was the first brought here. In process of time the Dollar became current; and acquired an imaginary value through convenience—it often however rose and fell according to the demand in one province or another. The Dutch many years ago changed their mode of payment; raising the Dollar to 7 m. 4 c. [Tls. 0·74] and passing it away by Tale instead of Weight.

This comment of the Select Committee may be read in connexion with the passages in this record referred to below.[1]

The gold came in many forms. Instead of being bought for export at the ratio of 1 : 10, it is now saleable on import at nearly 1 : 18, the market price of gold 94 to 96 touch being

[1] Cf. Index, *s.v.* Silver: touch of dollars.

Tls. 175 per 10 taels weight. Of the import into Canton in that year there were 4,880 taels weight (5,895 oz. troy) in bars and dust, value about Tls. 85,000; 7,934 gold mohurs, value Tls. 56,730; 245,993 pagodas, value Tls. 393,600; and other gold coins to a value of Tls. 331,800; a total of Tls. 867,130. In all there were 14 kinds of coin, of which the touch, weight, and exchange value in head dollars, as given by the Chinese assayists, were as follows:

	Touch.	Wt. Tls.	Price ₱ 100 Dollars.
English Guinea .	90	0·220	485
Germabob, Turkey	89	0·070	159
Stambole ,, .	95	0·092	222
Ducat, Venice .	98	0·092	230
,, Austria .	97	0·092	227
,, Hungary .	92	0·145	340
,, Holland .	97	0·070	227
Messiery, Persia .	75	0·070	134
Custoon ,, .	95	0·092	222
Gold Mohur, Shaw } ,, Delhi }	97	0·290	715
Pagoda, Porta Nova	68	0·090	156
,, Star .	78	0·090	182
,, Mangalore Hyder	84	0·090	193
,, Darwar .	60	0·086	136

N.B. The above Prices do not exactly answer in Proportion, because Gold rose and fell. The assays are Chinese as may be seen by the Touch of a Guinea

[90 touch instead of 916·6 fine = 22 carat gold]

[one tael weight = 579·85 grains.]

On November 18th a robbery was committed at the Company's factory.

This morning the Compradore came to let us know a hole was broken through the main wall of our Factory, which being seen by the People of the next house, they told him of it. We perceived on examination it was through the wall of the Hall, where the *Alfred's* woollens are put up. [12 pieces of cloth and 16 of camlets were stolen.] We sent for the Linguist and some of the Merchants and desired they would immediately acquaint the Mandareens, for that although it might be our neglect if goods were carried away through the Doors of the Factory, it was impossible for us to guard against such an outrage to good Polity as that of the present Instance, breaking through the Main Wall of the House.

The coolies employed by the Company were sent for and

examined by the Namhoi Hien, to the great inconvenience of the supercargoes, but the robbers were not apprehended, nor was the cloth then recovered. The Select Committee threw the responsibility on the Security Merchants, and recovered the value, Tls. 989, from each in proportion to his share in the woollens of the year.

In 1778 a robbery had been committed on the *Royal George* as she was proceeding up the River, when some Chinese in the night got into the Gun Room by cutting through the Rudder Coat; forced open one of the Gun Ports, which had not been uncorked from the time the Ship left England, and took away in Money and Goods to the amount of more than £12,000.

The actual amount involved was 15,000 pagodas and 6,000 dollars sent by the Council at Fort St. George, and 3,600 pagodas the property of private merchants, equivalent in all to about 36,000 dollars. Representations were made from time to time; a protest was handed in by Captain Panton of the *Sea Horse*; and at the end of two seasons, the only word from the Hoppo was that 'enquiry was still making, that he would again speak to the Viceroy'.

On December 4th H.M.S. *Resolution* and *Discovery* arrived at Macao from a cruise of three years after leaving the Cape of Good Hope, having lost both their commanders, Captain James Cook and Captain Charles Clerke. On the request of the present commanders, Captain John Gore and Captain King, the Chinese authorities granted facilities for careening, refitting, and provisioning; the Select Committee supplied such sea stores as could be spared from the ships, and advanced money, to a total of £1,519, for which they took bills on the Admiralty Offices; and they supplied the commanders with fresh provisions, the cost of which they charged to the Company.

The principal preoccupation of the Select Committee in 1779 was the settlement of the Chinese debts. The Court had

received a Memorial from several Persons, who, with many others have Debts owing to them from Chinese Merchants of nearly one million Sterling, soliciting their assistance for the recovery of the same—That in consequence of this representation the Hon'ble Court direct that we lend our aid and exert our utmost influence to obtain

satisfaction for all the just demands of British subjects in China, or to induce the Chinese Merchants to consent to such Liquidation as will bring the Money into a regular course of payment, for that the Court are not only exceedingly disposed to use their good offices in behalf of the Memorialists, but considering the sum as a national object they cannot hesitate a moment to facilitate the business by every means in their power, provided it can be done without affecting in any degree the Interest of the East India Company in China.

These debts were owing from one to eleven years, but most of them within seven years, and the amounts originally due had been swollen to great sums by the addition of compound interest at various rates, generally either 18 or 20 per cent. per annum. The creditors were private merchants, the Company being generally a creditor only to the extent of the advances during the current season, or from one season to the next. The debts were in some cases for imports sold on credit at high prices to the Chinese, but more commonly for money lent to secure the high rate of interest. As one creditor for a small sum wrote to the Select Committee :

I expected to have been able to have settled my small concern before this time, for I must term them small in comparison of some others who have made a Trade of taking up money at low Interest from the different Settlements in India and placing it in the hands of the Chinese at a high Interest.

At the close of the season, after having fully investigated the matter, the Select Committee record their opinion :

these [Chinese] Merchants have been ruined in part by their own vanity and extravagance. Money became so plenty here, and was offered to them with so seeming a liberality, that they could not withstand the temptation of borrowing it—but although much may have been expended by their vain and expensive way of living ; the greater part we believe has been extorted from them by the oppression of the Mandareens—The present claims of the English Creditors as given in to us with compound Interest mostly calculated to the beginning of this year amount to 3,808,076 Dollars ; though by the best information we can get, the Chinese never received in Money and Goods more than 1,078,976 Dollars ; and on that sum they have paid back some Interest.

The debts were almost entirely owing by four of the Hong Merchants, whose names we have seen as having trade relations

with the Company's supercargoes—Seunqua, Coqua, Yngshaw, and Kewshaw. The entire list of authorized Hong Merchants, eight in number, were thus characterized by the Select Committee :

Coqua is intirely ruined. The Mandareens have seized on the most valuable part of his effects to pay duties owing to the Emperor ; and he is now in the hands of Justice.

Seunqua's brother was declared a Bankrupt in the year 1774 ; and the Mandareens undertook to settle his debts with the English. According to that decision, the House now owes about 222,000 Dollars ; which, as no interest is allowed, we think Seunqua, who at present has the Hong Chop, might pay ; but some of his English creditors say they did not consent, and therefore are not bound by the decree of the Mandareens. They therefore go on with compound interest, and demand more than double the sum.

Kewshaw is so much involved, that this season he could not make his engagements good, with several Country Captains he dealt with ; and would have been totally ruined, had we not assisted him with 34,000 Tales, which Khequa, Munqua, Chowqua and Shykinqua allowed us to pass to their accounts, and we fear he will not recover the stroke.

Yngshaw's debt is, by his own account, nearly a million of Dollars. He yet does business ; but as no confidence can be put in him, his trade is more that of a Broker, than a Merchant ; and by such kind of management, he still keeps up an appearance ; but we think he cannot hold out long even in that way.

Chowqua & *Shy Kinqua* } we believe, are very clear of debts, and are people of property. The former however is old and does but little business.

Munqua owes a good deal, but is not supposed to be in any immediate distress.

Puankhequa's debts to the English do not amount to more than 80,000 Dollars. His abilities and interest with the Mandareens make him the most useful man in this place, and with a little management, he is a Merchant the most to be depended on.

It is to be noted that, of the eight licensed Hong Merchants, who alone were authorized to act as Securities, with whom alone trade in the main staples could be carried on, two were openly bankrupt, two were hopelessly involved, and only one is spoken of as having unassailable credit.

To make the sum of the English claims interest had been piled on interest. Two instances of an extreme character may be given of debts owing by Kewshaw since 1770.

	Interest. Dollars.	*Principal.* Dollars.
To Mr. George Smith		103,681
Interest at 20 ℔ Ct. for 9 years . .	180,694	
Paid	131,925	48,769
Amount of claim in 1779 . . .		152,450
To Messrs. Hutton & Gordon . . .		24,569
Interest at 20 ℔ Ct. for 9 years . .	41,594	
Paid	38,323	3,271
Amount of claim in 1779 . . .		27,840

Another more moderate in character dates from 1776:

To Captain Stainforth		34,600
Interest at 16 ℔ Ct. for 2 years . .	11,957	
Paid	11,957 &	15,066
This makes a new Principal of . . .		19,534
Interest at 16 ℔ Ct. for 1 year . .	3,125	3,125
Amount of claim in 1779 . .		22,659

The English creditors then in Canton, holders of 'bonds' or promissory notes of Chinese debtors, were called on to hand in a list of their claims, of which the following is a summary. The Company's supercargoes held bonds on behalf of principals in the Indian settlements.

Creditors.	*Seunqua.* Dollars.	*Coqua.* Dollars.	*Yngshaw.* Dollars.	*Kewshaw.* Dollars.	*Other Merchants.* Dollars.	*Total.* Dollars.
George Smith	..	311,714	291,690	159,712	26,263	789,379
Hutton & Gordon	532,247	422,698	378,416	43,984	399,293	1,776,638
W. H. Pigou*	48,486	274,463	243,813	94,208	179,699	840,669
J. Bradshaw*	1,408	32,611	119,485	53,346	24,685	231,535
M. Raper *	..	4,000	..	..	..	4,000
D. Lance *	..	6,160	..	..	4,608	10,768
A. Roebuck *	..	..	12,189	..	..	12,189
J. Harrison *	12,280	..	101,249	10,896	..	124,425
G. Cuming *	..	..	6,209	..	..	6,209
W. Fitzhugh*	..	..	67,036	..	..	67,036
A. Bruce *	..	..	6,673	..	..	6,673
H. Browne *	..	36,673	..	31,013	..	67,686
A. Crommelin	..	6,572	67,246	..	..	73,818
James Frudd	53,938	47,294	79,556	2,300	121,457	304,545
Abm. Leslie	..	13,977	13,749	4,004	..	31,730
Totals	648,359	1,156,162	1,387,311	399,463	756,005	4,347,300

N.B. 'Other Merchants' included 244,710 dollars due from Puankhequa and Munqua, who were solvent. The balance, 511,295 dollars, was claimed from Chinese who were not Hong Merchants.

* Company's supercargoes acting as Canton Agents for consignors resident in Indian settlements.

Of these totals, Seunqua, bankrupt in 1774, had been adjudicated a debtor to the amount of 222,000 dollars, and was ordered by the magistrate to pay in ten annual instalments without interest; Coqua was bankrupt and had given in no figures; Yngshaw admitted having bonds out two years previously for principal and accrued interest amounting to 980,165 dollars, but had then refused to renew them; Kewshaw admitted debts of 321,110 dollars. The two first were hopelessly bankrupt; the two last offered to pay in fifteen and ten annual instalments, without further interest; and Yngshaw offered 125,000 dollars in lieu of interest, payable in six annual instalments after the expiry of his fifteen years. These offers were informal; and the Select Committee advised that they be accepted, as the only means of avoiding utter ruin to all the merchants of Canton. In such a result the Company was certain to suffer, although its supercargoes had not, in their official capacity, been concerned in the measures which had so involved the Chinese in debt.

The Select Committee were active during the whole season in disentangling the confusion of this matter, and in trying to compose it; but their diplomatic efforts were crossed by official interference. Rear-Admiral Sir Edward Vernon had received a memorial from the creditors at Madras, and conceived it to be his duty to take steps to enforce their claims and secure them justice. He thereupon dispatched the frigate *Sea Horse*, Captain John Alexander Panton, to Canton with 'addresses' which the captain was positively instructed to deliver in person to the Viceroy and the Hoppo; and he so informed the President and Council of Fort St. George. The arrival of the *Sea Horse* and her mission filled the Select Committee with dismay; and, while procuring all the facilities of the port for this King's ship, they used every argument possible to persuade Captain Panton to exercise a reasonable discretion, in not presenting the addresses in person, and to leave it to them to deal with the debt in conformity with the instructions of the Court. Captain Panton persisted, courteously but firmly, in obeying his instructions to the letter; and on October 19th the Select Committee sent him a formal protest

against Sir Edward Vernon, Kt., Rear-Admiral of the White and John

Alexander Panton Esquire Captain of His Majesty's Ship *Sea Horse*, for all the losses of Goods, Monies, demorrage for detention of Ships, and every ill consequence that may (and we think will) attend the present premature representation to the Viceroy of Canton for Debts owing to private Persons from the Chinese Merchants ;

and for this they alleged many reasons—because such a step would produce evil consequences for the Company,

obvious to every one who knows the modes of Government in this Country, where a specious display of Justice often covers the violence & oppression of Arbitrary Power. . . . The Merchants, certainly, have not the Assets to answer the demands upon them,—Accumulating Interest ; bribing the Mandareens ; & probably their own extravagance have made those who are in debt unable to pay, unless by composition & a term of years allowed them. If the Edict for payment be positive, the most likely way of raising the Money will be to form a Company of Merchants at Canton, who alone will be suffered to trade with Europeans ; & who by exacting what prices they please may be enabled to fund annually so much as will in time liquidate the sum ordered to be paid. Should this be the case the East India Company, by means of Captn Panton's representation, will be obliged to pay the Debts of Private People, many of whom have remained here against the repeated remonstrances of the Hon'ble Court of Directors . . . & this we conceive will probably be done by changing the present mode of Trade to a pernicious monopoly.

The Select Committee also complained of the concealment from them of Admiral Vernon's instructions to Captain Panton, and protested against it—

because we believe by Captn Panton's delivery of the Letter to the Fooyuen, should that Mandareen send it up to Pekin there will be a certainty of embarrassment to the East India Company, and a very uncertain prospect of success to those British subjects whom Sir Edward Vernon seems so anxious to redress.

Captain Panton was not to be dissuaded from his purpose, and on October 22nd

Captn Panton went into the City to deliver his Letters &ca from Sir Edward Vernon to the Fooyuen. That Mandareen was attended by the Hoppo and received him courteously. After he had sat a short time he delivered the Letter &ca and came away. The Dutch, Danes, Swedes and Hungarians went into the City to the Fooyuen the same Morning and were received by him but not allowed to sit. The purport of their Memorials was to request that neither the Trade might be stopped, nor the Money advanced to their Merchants risked by anything that might happen from Captain Panton's Letter to His Excellency.

Captain Panton in time received an answer ' expressed in general terms that Justice should be done '. Apart from obeying his orders from the Admiral,

> he conducted everything with regard to his Ship and People with so much regularity and good order that not the least embarrassment has been occasioned between his Ship's Company and the Chinese ;

and he sailed on November 8th to return to Madras.

The question of the Conhong had engaged the attention of the Select Committee at once after the President and Mr. Bevan had joined Mr. Raper, but there were no indications during this season that the project was to be revived. The impetuous action of Admiral Vernon, however, brought nearer the formation of such a ' Company of Merchants ', which at Canton must take the form of a ' Government Corporation ', such as was the English East India Company itself. The latter had in effect demonstrated the utility of a combination of this nature, once in 1778 when the Council required Munqua to assume Coqua's liability to them when he received Coqua's share in their trade, once in 1779 when the Select Committee recovered from their five merchants the value of the cloth which midnight robbers had stolen from the factory.

XXXV

NEGOTIATIONS ON THE DEBTS, 1780

With the same Select Committee, the accounts for the season 1780 opened with a credit balance of Tls. 975,239, all in silver with apparently no bonds outstanding, and no debts due from or to the merchants. Including four which had lost their passage in 1779, the Company had twelve ships to load in 1780, of an aggregate of 9,239 tons. The goods imported on the Company's account in the ships realized Tls. 403,462 for woollens, Tls. 30,195 for lead, and Tls. 45,522 for Indian produce. There is a note that, for the Company's own ship *Britannia* during her stay at Whampoa, there was paid for stores and provisions 14,183 dollars; of which 7,034 dollars were paid to the ship's comprador. During the season bills on London were granted to the amount of Tls. 1,385,977, of which Tls. 182,415 were at 730 days after sight at exchange of 5*s.* 4*d.* per dollar, and the balance at 365 days and 5*s.* 1*d.* In addition certificates on the Court were given to captains and officers of the ships for a total of 183,295 dollars, half at 90 days, half at 365 days after sight; this was a regular practice year by year. The trade of the season 1780 at Canton was as follows:

	Ships. No.	*Silver imp'd.* Chests.	*Tea exp'd.* Piculs.	*Raw Silk.* Piculs.
English { Company	12	..	69,445	2,514
English { Country	12	..	1,639	537
Dutch	4	61	37,182	203
Swedish	3	2	30,817	39
Danish	3	96	17,560	260
Imperial	1	9	2,383	38
	35	168	159,026	3,591

Five ships of 3,836 tons also arrived for the Company during February, 1781, belonging to the season 1780; they were dispatched on April 5th, carrying an additional quantity of 29,951 piculs of tea.

The first census of Europeans resident at Canton is that given

in 1780. The following, not connected with any of the East India Companies, were then there :

English :	Thomas Hutton.	Abraham Leslie.
	George Smith.	Thomas Dickinson.
	John Crichton.	Arthur Crommelin.
	— Fergusson.	James Dawley, servant to Mr. Crommelin.
French :	M. Vauguelin, Consul.	M. Viellard, Chancelier.
	Costar, Des Moulins, Bourgogne,	
	Galbert, Le Dean, Sebire.	
Danish :	Ole Jenssen, Courtonne.	
Priests :	Laureyro, Portuguese ; Candid, Italian.	

The first reference in the records to actual dealings in opium at Canton is the following :

> May 17. We set out for Macao. We left at Canton . . . and Mr. Fergusson. The last Gentleman came to Canton from Bengal last year (1779) in the *Calcutta*. In the month of December he bought a small Vessel at Macao and brought her to Whampoa to manage an Opium concern, where he still remains.

In this year also the title of the Canton Hoppo is correctly given for the first time—Quanpoo (Kwanpu). His full title was Yüeh-hai-kwan-pu, Kwangtung Sea Customs Minister (or Commissioner), and he styled himself Kwanpu. This correctness was due to the presence of Mr. Thomas Bevan, who was one of two young men who had been sent by the Court in 1753 to reside at Nanking to learn Chinese, and who had accompanied Mr. Flint in 1757 on his mission to the north.

Spain declared war on England in the summer of 1779. In September, 1780, Captain Tasker in the country ship *Hornby* captured near Macao a vessel under Spanish colours and sailing under a Spanish pass. The vessel was ransomed for 2,000 dollars ; but, as the *Hornby* had no letters of marque, Captain Panton of the frigate *Sea Horse* claimed her

> for the King, and Captain Tasker delivered up to him the value found on board amounting to in money and Bird's nests 8,299 Dollars.

Only a month previously, however,

> a French Privateer of 12 six pounders has taken the *Concord* Captain Jamison in the Streights of Mallacca, likewise the *Prince* Captain Scott, besides several other small Vessels from Bengal.

The war made it impossible to obtain Spanish dollars in London, and, outside the woollens and lead, the Company's trade was financed from two sources: the dollars already in Canton, coming into the treasury from the sale of country produce imported in country ships from India; and from gold and silver of many coinages imported from India. One suggestion was made to the Governor-General, Warren Hastings, which might have had important results, if he had acted in conformity with it.

If you could coin the money you design for this place in the form of the Old Milled Mexico Dollars it would be a very advantageous manner of sending it. If that is improper, a Coin of the same weight and fineness, with the Company's Arms, instead of the Spanish, would we believe answer equally as well, especially when, by the trial of a year or two, it was known the coin might be depended on. The Dollar ought to be exactly 92 touch or $\frac{92}{100}$ parts fine Silver—the weight 17 dwt. 9 gr. [417 grains]. We have sent an Old Milled Mexico Dollar inclosed, which is of that weight.

The importation of gold had been overdone, and its market price fell considerably.

The price of Gold is not only greatly fallen, but Silver is either so scarce, or for some reason withheld, that there are hardly any purchasers for the present at any price. Star Pagodas sold last year from 176 to 212 Head Dollars ℔ 100. . . . A few have this year been sold at 180 but now no one will buy them in any quantity for 163; which is only the proportion of thirteen to one. . . . The Country Merchants invest their money in Cloth rather than Gold.

Gold became, in fact, almost unsaleable, and the receipts into the treasury for bills threatened to fall below the season's requirements. The Select Committee then arranged to pass gold coins on to the merchants in a form of barter.

We proposed to Puankhequa & Shy Kinqua to enter into an agreement with us to receive Gold in payment (at a certain price) as well as Silver; and they consented to take Gold for the Company's Goods at the following prices—

Star Pagodas	160	Old Dollars	℔ 100.
Porto Novo Do.	132	,, ,,	℔ 100.
Gold Mohurs	610	,, ,,	℔ 100.

And other Gold in proportion.

These values may be compared with those given on p. 42. To make Head dollars 2 per cent. must be added.

Advances for tea, silk, and nankeens were now an established custom, as the only means of ensuring the delivery of full quantities on the due dates (nine months or more ahead), and so of avoiding delay to the Company's ships, now more numerous and of greater carrying capacity. In making their contracts in February for delivery in 300 days, the Select Committee decided that they could made advances to three only of the Hong Merchants, and that it would not be safe to trust the four others still, at that date, doing business. Under those contracts advances of Tls. 601,500 were made to Puankhequa, of which the sum of Tls. 562,500 was for 2,250 piculs (3,000 bales) of raw silk at Tls. 265, advance Tls. 250.

The cloth stolen from the factory in 1779 was recovered and sent to the Select Committee on February 27th.

> As we have already charged the different Merchants with the cost of them, we sent them to Khequa's. The Merchants, however, will be almost as great sufferers, as if the Cloth had never been restored; as the Mandareens have requested a large share for their trouble and assiduity; and a request on such an occasion is little less than a demand.

The chief preoccupation of the Select Committee during the season 1780 was the claim made for the redemption of the debts due from the Chinese merchants, and its probable consequences. The Dutch, Danish, Swedish, and Imperial supercargoes had all declared to the Governor, acting as Viceroy, that, outside the usual current advances, no debts were owing to their nationals. This was not true; but the declaration left the English as the sole claimants. For a long time it could not be ascertained if Admiral Vernon's address had yet been sent to Peking or not; and in the meantime negotiations to effect a settlement were entered upon, and as a preliminary the creditors were required to hand in new statements of the bonds in their possession, with interest calculated to one uniform date, the beginning of 1780 with the result shown on p. 54.

On February 29th a joint communication was received from the Fooyuen (Governor) and Quanpoo (Hoppo) on the subject of the debts. The Select Committee were 'reminded' of the Imperial Decree of the 25th year of Kienlung (1760), by which the taking of loans at interest by Chinese from Europeans, or by Europeans from Chinese, was strictly prohibited under

COMPLETED STATEMENT OF DEBT DUE BY CHINESE MERCHANTS TO ENGLISH CREDITORS, WITH INTEREST CALCULATED IN ALL CASES TO THE BEGINNING OF 1780.

Creditors.	*Coqua.*	*Seunqua.*	*Yngshaw.*	*Kewshaw.*	*Other Merchants.*	*Total.*
	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.
Hutton & Gordon	422,697	532,247	378,416	43,984	377,635	1,754,979
G. Smith	311,713	..	291,690	159,712	38,904	802,019
J. Bradshaw*	165,223	7,112	261,764	140,859	85,096	660,054
W. Fitzhugh*	69,973	14,400	112,440	6,640	99,391	302,844
J. Harrison *	..	32,122	99,041	12,639	..	143,802
J. Frudd	90,493	28,017	79,556	2,300	124,162	324,528
A. Crommelin	6,572	..	67,246	12,000	..	85,818
C. E. Pigou *	64,082	20,886	45,942	39,267	3,741	173,918
A. Roebuck *	..	..	14,383	..	..	14,383
Abm. Leslie	13,977	..	13,749	4,004	..	31,730
A. Bruce *	..	..	7,874	..	..	7,874
G. Cuming *	..	..	6,208	..	..	6,208
H. Browne *	36,345	..	..	31,013	..	67,358
D. Lance *	7,268	..	..	..	5,529	12,797
R. Parks *	..	..	5,667	..	..	5,667
M. Raper *	6,243	..	..	..	..	6,243
Total	1,194,586	634,784	1,383,976	452,418	734,458	4,400,222

N.B. 'Other Merchants' include 158,451 from Munqua and 81,944 from Conqua both solvent, due almost wholly to supercargoes; and 494,063 from Chinese who were not Hong Merchants, and whose solvency was doubtful, due entirely to private English.

* Company's supercargoes.

penalty of banishment (transportation) to Ili for the Chinese, and forfeiture of the loan for the Europeans; they were also 'reminded' of the provision of Chinese law that accumulated interest should not be allowed to exceed the original principal of a loan, i. e. that no loan should be more than doubled by interest. A statement was to be drawn up, distinguishing between money lent before and money lent after the twenty-fifth year; and efforts were to be made to effect a settlement. This communication was properly sealed with the seals, in lieu of signatures, of the two officials; and it was verbally requested that, after perusal, it should be returned to the writers. This caused some suspicion in the minds of the Select Committee, and in consultation they decided that it was

> a sufficient hint to us, to use all proper caution with Magistrates who in public business behave with so little propriety. Neither are we drove to the necessity of subjecting ourselves to misrepresentation—

Mr. Bevan speaks the Mandareen language. If therefore the Fooyuen and Quanpoo think we can give them information and really wish to receive it, they may have it from us through him, by desiring to see us in the City.

Arrangements were made, and on March 22nd Mr. Bevan and Mr. Raper were received at his yamen by the Hoppo

and remained with him two hours. When the European account of the debt was given to him and explained; he appeared surprized at the largeness of the Sum; which he observed greatly exceeded what the Merchants had given in. He ordered his Secretary to take it down in writing, saying he imagined great part of it was interest. He urged the Edict of the 25th year, prohibiting the loan of money between the Chinese and Foreigners; yet said that the Fooyuen and he, wishing to relieve the parties, should be willing to secure the payment of double the principal sums. . . . He desired the Bondholders might be acquainted with what he had said. The Linguists attended with the Merchants in form; but Mr. Bevan carried on the conversation.

Copies of all necessary documents were supplied to the creditors, and meetings with the debtors were held early in April. After prolonged discussion the debtors made proposals.

Yngshaw proposed to pay half the principal as it stood at the end of the year 1779 in yearly payments of 40,000 Dollars without further Interest or Security—Rejected.

Munqua proposed to pay the whole of his debt in three yearly payments without further Interest—This to be considered. With Interest at 5 per cent it was accepted.

Kewshaw proposed to pay his debt as it stood at the end of the year 1779, in ten yearly payments without further Interest or Security—Rejected.

Seunqua resolved to abide by the decision of the Mandareens in the 38th year of the Emperor without further Interest or Security.

No further approach to agreement was reached, the creditors maintaining that

they could not allow the debts to come under the Hoppo's description [by which compound interest should do no more than double the original principal], as every loan was or had become new, at the time the Bonds were dated.

New bonds had been taken each year from the other merchants; but Seunqua was an exception. The father had died in 1774, leaving his business bankrupt; the officials had adjudicated on the estate, fixed the debt to Europeans at 222,000 dollars, and

decreed that his young son, just entering manhood, should succeed to the business and pay off the debt in ten annual instalments. None had been paid; but the official decree barred interest. Coqua also had been bankrupt for two years; his estate was in the hands of the officials, who put in a preferred claim for duties owing to the Emperor, and nothing was to be recovered from it. Two others, Yngshaw and Kewshaw, were to have their estates seized as bankrupts within this year, and with their assets in the hands of the officials nothing was to be expected from them. Under such conditions the proposals suggested, rather than offered, by the Hoppo must be considered very generous.

The intervention of Admiral Vernon had aroused great apprehension in the Select Committee; and, on their report, the Governor and Council of Fort St. George wrote plainly to Admiral Sir Edward Hughes, who succeeded to the command, commenting on the ill-considered action of Admiral Vernon. Admiral Hughes upheld his predecessor's action; and, dispatching the *Sea Horse* to convoy the Company's ships to Canton, he instructed Captain Panton to demand from the Viceroy, by a personal application, a statement of his intentions regarding the debts 'justly due to His Majesty's subjects'; and he maintained that Captain Panton's renewed intervention

> will still further benefit the injured British Subjects whose property is withheld from them by the Chinese Debtors.

Captain Panton, however, obtained no explicit assurances.

For a long time the Select Committee could obtain no authentic information regarding the Edict of 1760. At that time the Company's affairs were managed by the annual supercargoes, who knew no Chinese, cared little for Chinese politics, and considered primarily their trade. Finally it was found—a paper in Chinese, endorsed as follows:

> A Chinese Edict issued out in March 1760 by the Emperor relating to Europeans, viz^{t}
>
> That they must trade with none but Hongists.
>
> That they must not lend money to Shopkeepers and Country Merchants.
>
> That they are not to be allowed Chinese Servants.
>
> That they must go to Macao on the dispatch of their Ships for Europe; with sundry other things.

On this the Select Committee of 1780 comment thus: 'This Edict so much spoken of by the Mandareens seems not to have been known among the English.' In fact the Company did not lend its money on interest to Chinese; it had only small dealings, except for chinaware, with the 'shopkeepers', and those were for cash; and there was no special reason why the supercargoes of one year should pay attention to the prohibition. The essential clause of the order, after recital of a case in which a shopkeeper owed money to a European and did not pay, was as follows:

> The Emperor has sent the following order to the Tsontoc of Canton to see justice done. The Tsontoc is to compel the Shopkeeper Hoang Sangni to pay directly the debt to the Foreigner. In future We do not permit the Chinese to take money by way of loan from Europeans, and should they take it, such money shall be confiscated by the Mandareens. The Strangers who come to Canton are to keep Servants of their own Nation; they are not to have Chinese Servants, and for any business with the Chinese where it may be necessary they are to make use of a Linguist or Compradore. It is not proper that the Chinese should be Servants to the Strangers, that they may not join with them, enticed by the money they may get to commit irregularities. The Hong Merchants with the Linguists are to make known this decree to the Strangers that they may not plead ignorance. The Chinese who shall fail in compliance with it shall be taken up and punished. . . . He demands that the Hongists be obliged to finish all their accounts and affairs before the return of the Ships. If they act contrary to such orders—if they do not settle their accounts—and if they are guilty of any Rogueries, that they be severely punished, and that all the Goods of those who borrow money be confiscated.

Admiral Vernon's letter was sent to Peking, accompanied by a memorial from the Governor-acting-Viceroy reporting on the affair as it appeared to him. It was then referred to the joint investigation of the Li Pu (Ministry of Civil Office) and the Hing Pu (Ministry of Justice), which thereupon made proposals.

> In the 45th year of the Emperor, the 4th day of the 6th moon the contents of the foregoing were humbly shewn to the Emperor, who on the 6th of the said moon was pleased to approve of the said deliberation and that Yngshaw with Kewshaw should be sent into banishment at Yi Li and there to serve among the military.

The action taken under the decision of the Government at Peking may be summarized as follows: Yngshaw and Kewshaw

were (September 9th) thrown into prison, and at the end of November were sent to Ili; their hongs, houses, and other effects were seized and were to be sold to pay arrears of the Emperor's duties, of which they were said to owe 150,000 taels; any surplus realized was to go to pay their mercantile debts. All principal sums owing before 1760 were to be doubled and paid in ten annual instalments, without further interest. Seunqua's debt was to be settled according to the judgment of 1774, without further interest. This was ominous for the creditors, and other proposals of the two Ministries were still more ominous for the Company and for trade in general.

The Hong Merchants are also to be ordered to fix on one price for every sort of Goods according to its current value at market. A Mandareen of Integrity should also be chosen to superintend all their affairs, and the duties first paid out of them. All negociations are to be free and unrestrained for every body—but as the Hongists aim entirely at their own advantage, every one strives as much as possible to monopolize to himself a large quantity of goods, by which means the seller has an opportunity of fixing his own price on them, to the detriment and loss of the Hongists, who from this circumstance are constrained to take up money at Interest which is contrary to all good order. It therefore becomes necessary to make regulations publish prohibitions and form such arrangements as may in future prevent those inconveniences which arise from such proceedings. It is therefore necessary for the Tsontoc to send up to the Court a set of Rules, such as he may on mature consideration think likely to cause the Merchants and Foreigners to deal justly in their contracts with each other and to prevent the Mandareens and their dependents from involving themselves in difficulties and ruin.

This clearly indicated the Conhong, the danger of which had been apparent to the Select Committee from the first arrival of Captain Panton in 1779. In their final report on their proceedings during the year 1780, they inform the Court:

The present state of the trade is nearly on the following plan. Puankhequa, Chowqua, Munqua, Shy Kinqua and Se Unqua meet at a place appointed for that purpose, to consult each other about the prices of European Goods and other mercantile business. This they often do by themselves; but when the prices are to be fixed, the Wooyuen, a [military] Mandareen in the Quanpoo's Office, presides and finally settles them. This is the form only; for Puankhequa's influence being great, we believe the Wooyuen and he conduct things almost in what manner they please. As a sum of money is to be

annually raised both in aid of the debt and to purchase presents for the Mandareens, the Merchants have agreed (besides setting the imports low and fixing Bohea at 15 Tales) to put a tax on all the Green Teas. This is with very little difference, a Conghong without the Name, and the having fewer Merchants makes it in that particular worse.

The Government Corporation which they dreaded was, in fact, if not in form, already imposed upon the foreign trade.

The wars in which England was then engaged aroused the boisterous patriotism of the sailors of all nationalities, a class always difficult of restraint, and at Whampoa constrained to a life little less monotonous than they had while at sea. There were quarrels; two of little importance, in one of which the Danes complained that the English sailors had raided their people, in the other the French charged them with 'cutting the haulyards of the French flag'; in both cases the Select Committee expressed their regret, and requested that the common practice of selling spirits to their sailors should cease. One was of greater importance.

Dec. 14. Some days ago a French Seaman belonging to the *Success* Galley [an English] Country Ship killed a Portuguese Sailor belonging to the [Company's ship] *Stormont*, in one of the Merchants houses. The man took refuge at the French Consuls, where he remained many days; but at last was given up to the Chinese, and was this morning publicly strangled by order of the Fooyuen. This is the first instance of one European being executed for the murder of another, in this Country, and appears to be a very dangerous precedent; as it may involve Europeans in inextricable difficulties; if even by accident one man should kill another. The man executed today could have no trial of common Justice. The affair happened between him and the deceased in Seunqua's Hong at night nobody knowing of the quarrel till the *Stormont's* man was killed—and we do not understand that the Chinese Government took any means in their Courts to find out the truth. Foreigners are not here allowed the benefit of the Chinese Laws, though in this instance one of them suffers by the rigor of them; nor have they any privileges in common with the Natives. They are governed nearly by such rules as the Mandareens, for the time being, declare to be their will; and the reason why so few inconveniences happen from irregularities is—That the Officers of Government on such occasions, rather choose to exact money from the Security Merchants, Compradores, &c[a] than use rigorous methods by which they gain nothing. Their Corruption therefore in part is the foreigners security.

The Governor issued a Chop dated December 11th and addressed

to the merchants and linguists justifying his action, on the ground that he was responsible for the maintenance of good order; that he could have no assurance that the accused would be duly punished, if he were sent to his own country for trial, as had been proposed; and that the sailors, 'who are addicted to drunkenness, riot and quarrels', could be kept in order only by the dread of the certainty of punishment. This, as far as it goes, is a perfectly justifiable line of argument; but the supercargoes commented on it as follows:

The above Chop was obtained by means of a French Gentleman who understands the Chinese Language. Mr. [William] Fitzhugh had heard of it, and had tried to get it from Puankhequa, but notwithstanding the Fouyuen therein commands the Linguists and Hong Merchants to explain his Sentiments to the Europeans that Gentleman could not succeed. Thus it is we are treated in almost every Instance. The Mandareens issue out their Chops or regulations for the Europeans, to which they expect obedience, altho' these remain unknown to them, either from inability of the Linguists, the selfish views or negligence of the Merchants, and thus it was the English were unacquainted with the Prohibition to lend Money in the Edict of the Year 1759, on which circumstance now depends the justice or impropriety of the claim to a debt that amounts to a million sterling. The Tsongtock and Fouyuen found their right of interference on a Principle they must know to be false. They say the Europeans have not the Power of punishing a Criminal, therefore they must do it or let him escape. The last accident however of that nature which has happened here was the Murder of a Dutch Seaman by one of his own Countrymen. The Supra Cargo refused to give him up to the Mandareens but ordered him to be executed on board one of their Ships and it was done in Sight of the Chinese. Should a Murder happen among the English it is little probable but there would be sufficient proof to condemn the guilty Person, and it were better we should have a chance to escape than that it should be in the Power of these Magistrates to make an innocent man suffer. The late instance fully shews the nature of the Proceedings of a Chinese Tribunal, it condemned the unfortunate delinquent, altho' there were no witnesses they could examine, and the only circumstances on which a judgment could be formed, tended to shew he was forced to it for self defence. This act of the Chinese Magistracy hath deprived us of the only Privilege we thought to possess in this Country, and was a small Consolation for the many deprivations we suffer in it; it hath placed us in a worse Situation than are the Subjects of a Tyrannical Government—for we are liable to all the Severity and Injustice of Arbitrary Law, and yet do not enjoy its priviledge or Protection.

XXXVI

RESTORATION OF THE COUNCIL, 1781

At the consultation of November 9, 1780, each member of the Select Committee in turn informed his colleagues that the state of his health necessitated an early return to England. Mr. Bevan produced a medical certificate in support of his statement. The three left by the ships sailing from Whampoa on January 25, 1781; and the twelve supercargoes took charge as the Council of the year, with Mr. James Bradshaw as Chief.

Including five ships of the spring (which, properly belonging to the season 1780, had with great difficulty saved their passage), and six ships of the autumn, the Company had 11 ships at Canton in 1781. Including all the eleven, the trade of the port was as follows:

		Ships. No.	*Silver imp'd.* Chests.	*Tea exp'd.* Piculs.	*Raw Silk.* Piculs.
English	Company	11	..	63,489	1,206
	Country	6	2	597	699
Danish		3	90	30,889	331
Swedish		2	55	24,504	28
		22	147	119,479	2,264

The homeward invoices of the six autumn ships of the Company were of the following value:

	Tls.
Contractor	164,898
Duke of Portland	153,140
Ponsborne	167,724
Royal Charlotte	172,590
Hastings	186,834
Lord North	204,120
	1,049,306

At this period the Company was regularly sending each year to England 20,000 pieces of nankeens, 6 yards long, 13½ inches wide, costing Tl. 0·400 a piece.

The supercargoes were again successful in getting a sufficient supply of silver locally, from the country trade, into the treasury,

Tls. 1,107,418 during the season; but, as the Swedes offered 9-months bills at 5*s.* 7*d.*, and the Danes 6-months bills at 5*s.* 6*d.*, the English were forced to give 12-months bills at 5*s.* 6*d.* per new milled Mexico dollar. In a letter signed by the Governor, Lord Macartney, the supercargoes were informed that the export of gold and silver from Madras was prohibited; and further that, 'such is the low state of our Treasury', he was compelled to draw on Canton for the amount of four months' pay advanced to seven French officers proceeding on parole to Europe by way of Canton. The same prohibition of export was in force at Calcutta. The supercargoes wrote to the Court, impressing upon them the necessity of sending silver from London, since it seemed probable that their present sources of supply would be dried up; as it was, by the liberality of their offer, they obtained nearly all the available silver in European hands at Canton, and they closed their season, on March 21, 1782, with the following stock:

	Tls.
Tea in hand and paid for, 42,101 piculs . .	666,900
Silver remaining in Treasury	28,910
	695,810

One special danger was impending over their future operations, the revival of an old regulation that all ships should take away cargoes paying duties equal in amount to the duties on their import cargoes. Some country ships were sold to the Portuguese, to serve as neutral carriers for the Dutch trade to Batavia, and they sailed without cargo from Whampoa to Macao; others, owing to the risk from enemy privateers, preferred to return to India in ballast; and the Hoppo learned that the proceeds of the import cargoes of all these ships were paid into the Company's treasury; he thereupon sent to the supercargoes a mandate couched in 'insolent and absurd language'.

Formerly the Ships that came to Canton brought their Goods to sell and afterwards bought the Commodities of the Country & were loaded therewith & never departed from hence until they were filled. Now I find they deliver all the money they receive for their Goods to the Supra Cargoes of the Company, and buy nothing themselves but let their Ships go away empty, while the Supra Cargoes employ the Money in making unjust Contracts, and devise other subtilties to purchase winter Commodities at a low price after the dispatch of their

Ships. Formerly you were good People, now you are the worst of bad : and if you do not buy Goods and fill your Ships, how can I who am Hoppo suffer you to depart from hence—it will do great prejudice to the Empire—for which reason I send you this my Mandate, ordering you all especially the Chief Supra Cargoe not to receive the Money of private Persons, & you shall order the said private Persons to employ their Capitals in purchasing Goods, load their Ships, and then they shall have liberty to depart, & if they do not load their Ships, you Supra Cargoes who have received their Money and thereby hindered them from purchasing Goods to fill their Ships ; neither your Ships, nor their Ships that are not full, shall have liberty to depart. You shall be answerable for the payment of all the Duties & Customs nor will I excuse you, and you must obey these my Commands—If not you may repent when it is too late.

This was a serious danger. Not only, it was charged, was a Law of the Empire infringed : the Chinese authorities had protested against the departure of each of the ships in question ; force had been used to take them out of Whampoa ; the Hoppo had been thwarted, and his anger aroused ; he saw a vast amount of silver flowing untaxed into the Company's treasury ; and above all, as the Select Committee and the Council warned the Court, the supercargoes could exercise no authority over private persons or ships, though both were at Canton only under the Company's licence, and both needed a firm hand over them. Of this there were numerous instances in these two years.

The most glaring instance was that of Captain John McClary of the country ship *Dadoloy* of Bengal, who had a commission (letters of marque and reprisal) from the Governor-General at Fort William. On May 20, 1781, being then at Macao, he followed and seized a sloop bound from Macao to Manila.

He was himself on shore at that place & informed the Governor that he had ordered his Officer to bring her into the Harbour that she might be submitted to his Examination having himself great reason to suspect she was Spanish Property. Notwithstanding this fair Procedure on his part, he was seized on and confined to a most rigorous imprisonment and by that means compelled to give an Order for her being delivered up without Examination ; this Order was carried to the Officer who commanded the *Dadoloy*, which induced him to bear down immediately to the Sloop in order to comply with it, but there was such a violent Gale of Wind, that before it could be fully executed the Sloop was wrecked on a Lee Shore & the Ship likewise nearly lost. Mr. McClary was on account of this Accident detained in his Prison

for two Months, until by harsh treatment and threats of being delivered up to the Chinese on purpose to be executed as a pyrate ; the Magistracy of Macao extorted from him a payment of 70,000 Spanish Dollars, on pretence of that being the Value of the Sloop which was lost.

We must suppose that Captain McClary was infuriated at losing his prize and being forced to pay 70,000 dollars besides, and that he entirely lost his head ; for, on August 17th,

as the *Dadoloy* was lying at Whampoa together with a Country Ship from Surat [the *Felix*] under Dutch Colors, Mr. McClary hearing the News of a War with the States seized on the abovementioned Ship as a lawful prize, notwithstanding that all Nations have respected the Neutrality of this Port in former Wars, and persevered in the Outrage although we informed him how prejudicial it might be to the Company until (to all appearances) he made a compromise with the Chinese Mandareens, who were very apprehensive of being disgraced in their Contest with him, which we think was dishonorable to both parties & of a pernicious tendency to our Affairs.

Captain McClary had visibly made every preparation to taking his prize by force out through the Boca Tigris ; and the Chinese made counter preparations, including the assemblage of 2,000 troops, to resist such action, while all officialdom was perturbed from highest to lowest. Finally the prize crew left the ship, and the Chinese gallantly invaded the abandoned prize, which was thus rescued from the pirate's hands :

In reward for which Condescencion he was permitted to withhold an Iron Chest containing Pearls and Gold freighted by Armenians.

The contents of the chest were invoiced at 89,128 rupees. This high-handed act was of importance because of its effect on the Company's affairs. The Governor of Kwangtung called on the supercargoes to compel Captain McClary to make restitution, to give compensation, and to keep the peace for the future. The Council replied that they would be responsible for all matters connected with the Company's ships, but that they had no powers which would enable them to maintain order among country ships or private merchants. This reply, as translated by the Hong Merchants for the Governor's information, was filled with many specious falsities and absurdities, such as only a Chinese mind could have evolved, but which other Chinese minds would easily detect. Eliminating all this part, however,

the Governor's answer was such as the supercargoes themselves might have sent to the Court of Directors.

You English are a lying and troublesome People, for other Nations that come to Canton are peaceful and do not hurt any one, but you English are always in trouble. But a little time ago one McClary took a Ship and her Cargo. By whom was this done but by you, who now claim my Protection ? Your Chief and Second Supra Cargoes are sent here by your King to superintend the Business of the Company—and private Persons are permitted to trade here by the same Power—why did you therefore say that you had not the Power to prevent the Misdeeds of these People, and refused to obey when I ordered you to come to the Boca Tigris to oblige this McClary to restore what he had taken ? I wanted not your Assistance to enforce restitution . . . had I sent my Troops think you they could not have taken him ? . . . Know that if any of you English in future shall do wrong, whether Supra Cargoe or Individual he shall be punished to the full measure of his Crime.

Of those under the British flag, it was only the country ships which gave trouble and created complications.

We have many times seen the whole Trade of the Company under an Embargo on the most trifling pretence ; and we think it may hereafter suffer the most material detriment ; from the Wickedness or Folly of Country Commanders. Long Experience has shewn the Chinese that we must suffer almost any thing to avoid an impediment to our Trade : but Country Ships are every day committing some irregularity ; which sets aside their Decrees & mortifies their Pride. These they sometimes permit to pass unnoticed : & sometimes make it a pretence for oppressing the Hong Merchants : but when it becomes a matter of too great magnitude to be passed over ; the Company are held responsible ; for whether it be their Policy or really incomprehensible to their strict notions of subordination ; they will not allow themselves to believe, that every Englishman, who comes here, is not under the Controul of the Chief ; though every days Experience might have convinced them of the contrary.

The supercargoes were constantly vexed by persistent demands that they should control the doings of country ships, with which they could not interfere in Chinese waters, and were as constantly impeded in their operations on behalf of the Company ; and the private English gave them as much trouble. As were the ships, the traders were also in China under the Company's licence, granted 'for urgent private affairs' for a period of two or of three years. Year by year they were ordered to leave, and regularly they gave specious reasons for staying another year, or refused point-blank to obey the order.

Mr. Abraham Leslie was in Canton as junior surgeon to the factory, and in the spring of 1779 was recommended to the Court for appointment to the post of senior surgeon. He had lent his savings to Chinese at high interest, and stood to lose some 11,000 dollars in Coqua's bankruptcy; but when that occurred, supported by some armed Lascars, he took forcible possession of Coqua's hong until his debt should be paid. The Chinese ordered him to vacate the house, but he refused; the Council ordered him, as an officer of the Company, to return to his apartment in the factory, but he refused; and he remained in possession for two years. In 1780, on Yngshaw's arrest and bankruptcy, he took similar forcible possession of Yngshaw's hong, breaking the seals on the entrance; this time for a debt in which, apparently, he acted as attorney for the real creditor. The Chinese ordered him to vacate, as did the Select Committee, but he defied both. Much of his claims, certainly more than the entire original principal, was paid, but he maintained his occupation. The supercargoes went to Macao on April 27, 1781.

After being there some time Mr. Leslie was brought down by the Canton Officers of Justice. The perverseness of this Man, in persevering to insist on Claims that had been satisfied ten times more favorably than the rest of his fellow sufferers; and which he had agreed before the Select Committee to relinquish and quit China; forced the Mandareens to alter their treatment of him. They accordingly seized on him by Force, and binding him brought both himself and People to Macao, where he was delivered to the Charge of the Civil Magistrate of the City, with the most positive Orders to prevent his returning to Canton. He was there for some time allowed his liberty; but the Senate being apprehensive that he would escape to Canton, and thereby embarrass them with the Chinese, afterwards imprisoned him on that pretence: and he has been in that Situation many Months.

Through the whole of the two years during which he was in occupation of one or both of those hongs, scarcely a month passed in which the Chinese authorities did not demand angrily why the supercargoes did not coerce him into being obedient to the laws and doing right and justice.

Mr. George Smith had been 'permitted to return' to Canton in 1764 for two years, to 'settle his affairs', and had remained there continuously since that year. The supercargoes year by year ordered him to leave, acting in later years under direct

instructions of the Court; most of their letters he left unanswered; but in 1771, 1772, 1773, and 1779 he returned defiant answers, denying the power of the Company to expel him; in 1779 he denied the Company's jurisdiction and declared that he would appeal to the Chinese authorities for protection. In 1781

> In consequence of those Paragraphs of the Hon'ble Court's Instructions to the Select Committee relative to Mr. George Smith we took the earliest opportunity to signify to him by Letter, he being at Macao, that it was your Commands that he should no longer remain in China; he returned for Answer that his present Situation, as well as his Family's put it out of his Power to proceed by these Ships as he was totally unprovided with necessaries for so long a Voyage; but that he would certainly return the ensuing Season. We replied that as we could not dispense with the positive Orders we had received, we desired his final Answer, on the receipt of which he waited on the Governor of Macao & claimed his Protection which was immediately granted him. Should this Gentleman hereafter come to Canton we shall obey those positive Orders we are in Possession of to send him to Europe by force should he refuse to go voluntarily.

If, but only if, the ships were at Canton, it was in the power of the supercargoes to arrest him there, provided that they could seize him where he could not claim the protection of the Chinese authorities. At Macao he was safe, as in 1780 and 1781 the Portuguese Governor showed great readiness in being disobliging and discourteous to the Select Committee and the Council. On November 7th Mr. Smith wrote to the Council:

> My Business requiring my presence at Canton, I beg to be informed, whether I can go there, and return again to my Family here unmolested by you, upon my giving my word of Honor which I here pledge to you that I shall proceed to Europe this Season.

A safe-conduct was sent to him, he came to Canton, and he left by one of the ships of that season.

The supercargoes were allowed to remain at Canton only for the time required for transacting the business of their ships, and, that completed, were under the necessity of going to Macao and staying there. For the journey to Canton, and for the return journey, permits must be obtained from the Hoppo at Canton. In November the captain of the *Ponsborne*, being on board the *York* dropping down to Boca Tigris, was forced by a strong northerly wind to go to Macao; and the Council had some

difficulty in obtaining a permit for his return, the Hoppo suspecting some ulterior motive.

At Macao the supercargoes were not allowed to feel themselves welcome. If, as happened in 1779, a young Writer, in the exuberance of youthful feelings, allowed himself to indulge in too much noise during the interval between his enjoyment of a good dinner and indulgence in his amourettes, he was arrested, treated as a common criminal, and released only after long negotiations. These were trifles; but the bearing of the Portuguese officials towards the supercargoes was such as to fill them with apprehension lest they might be incapacitated from transacting the Company's business.

From what is here mentioned & the ill treatment of the Select Committee last year, the Hon'ble Court may judge of the situation of their Servants at Macao. We are driven there by the Chinese & cannot escape from it without Mortification & Insult; from which the most cautious Conduct in ourselves cannot preserve us. However we might feel these Indignities, we should have suppressed the language they excite, was it not to warn the Hon'ble Court that consequences may flow from our being left in so neglected a Situation as may prove embarrassing to their Affairs; for should it happen, that we were to be imprisoned by the Infatuation of the People of Macao; & the Chinese refuse interfering; we know of no alternative, but using the Force of our Ships to release us . . . our Situation, which we cannot but feel to be disgraceful to us as Individuals & to the Company as our Employers, for in no part of the World are English subjects who are in trust, left so devoid of protection.

The Council proposed to the Governor-General to procure from the Viceroy at Goa such privileges in Macao as would improve their position; and warned him that the Government at Lisbon could do little for them.

Macao is so little known to the Court of Lisbon and has been so neglected by the Government of Goa, that it is now the fit resort only of Vagabonds and Outcasts. It has lost the valuable immunities formerly granted by the Chinese, & the Head Mandareen of a neighbouring Village exercises in it almost the Powers of Government. . . . A place so little valued might perhaps be easily procured from the Court of Lisbon, and should it ever fall into the hands of an enterprising People, who knew how to extend all its advantages; we think it would rise to a State of Splendor, never yet equalled by any Port in the East.

This is the first suggestion of Hongkong, made by Mr. Bradshaw

under another name and by another method, but for reasons which ultimately drove Captain Elliot there in 1839.

Steps had been taken by the Chinese authorities to wind up the estates of Yngshaw and Kewshaw; and on April 25th the sum of 81,738 dollars was sent to the factory to be divided among the creditors, who were asked to sign the following form of receipt:

> Received of Puankhequa &c^{a} Hong Merchants by Order of their Excellencies the Tsong Tock and Quanpoo of Canton the Sum of Head Dollars 81,738 or Tales 58,581 being in part of the Debts due from the Hong Merchants Yngshaw and Kewshaw to sundry Persons whose Agents we are, which said Payment we are informed is to be continued for the term of nine Years by Order of his Imperial Majesty.

This payment had not come from the sale of the debtors' property. The supercargoes had already been informed that a gild levy had been made of Tls. 1·200 on all green teas and Tl. 0·620 on Bohea, to form a fund for this purpose; and that a 'duty' of 6 per cent. was to be levied on raw silk, but it is not clear if this was a Customs duty or a gild levy. Money was also to be obtained for the fund by a system of fixing prices.

In February the woollens imported by the ships then in port, belonging to the season 1780, were sold in fixed shares 'at the usual prices'; but when, later in the same month, the Council wished to make their contracts, as usual, for the tea and silk for the ships to arrive for the season 1781, they found the merchants reluctant, even refusing, to consider either quantities or prices; and in March they gave, as their reason for an increase in the prices they must ask, the imposition of the duties referred to above. Consulted separately, the prices asked by the four merchants were identical. Contracts were made on those terms, with an undertaking that the quality should be correspondingly better; but Puankhequa frankly declared that

> it was not in his Power to alter the Price established by the Mandareens, moreover it was the Price the other Companies had contracted for.

The Hong Merchants were now reduced to four who were still solvent; and with these four contracts were made for 45,000 piculs of tea, with 12,500 piculs additional at the Council's option. In November this optional contract was cancelled; and as, owing to the absence of the Dutch, the market was more

favourable, Bohea was then bought at ' a winter price ', 11 taels a picul, against the fixed price of 14 taels in March.

The ships of 1781 having arrived on September 30th, the supercargoes record on October 9th :

The Merchants have been repeatedly asked what Prices would be given for the Imports, to which they answer that they are not yet fixed by the Mandareens—so that we have the mortification to observe the pernicious Monopoly established last year is likely to continue. Though the Merchants talk of the Mandareens fixing the Prices it is plain that themselves do it and the Mandareens only enforce its observance by their Authority.

Two days later the Hoppo went to measure the ships, when the supercargoes took the opportunity to make their protest.

We then mentioned to him the Prices of the Imports last Year as being very low, and hoped this Season some inducement would be held out to the Country Ships, or they would not be able to come to this Port. He answered they were at liberty to do as they pleased, that the Prices should be such as the Market allowed of, and that no Merchant should give more for Goods than they were worth, as had been done heretofore by which many had been ruined, but that the Interest of Europeans and Merchants should now be mutually considered by the Mandareens.

In a few days the prices were fixed by decree :

	Tls. ℔ picul.		Tls. ℔ picul.
Cotton . .	9·00	Sharks' Fins .	18·00
Tin . . .	15·00	Putchuck . .	18·00
Pepper . .	11·00	Sandalwood .	22·22
Lead . .	4·50		

The supercargoes tried with each of their merchants to persuade each to give more than the decreed price, but without avail ; and in the end they sold to each the imports from the ship for which he was Security, and at the decreed price ; but all the cotton was sold to Puankhequa, who dominated the others, in the hope that in future the others might break out from the ring. The English woollens were sold at the prices settled during the recent past years.

One blow was yet to be delivered in the form of a decree issued at the close of the season, but which does not appear to have been carried into effect.

March 10, 1782. This morning the Merchants came to the Factory, and brought with them the most extraordinary Chop, we remember

to have read, it was directed to the Councils of all the European Companies here, signifying that on the arrival of the Ships, an exact Account of their Cargoes should be delivered into the Hoppo's Office, that after that they should be permitted to unload, & when completed, we are to pay into his hands the Amount of the Duties, including those on the Private Trade, whether sold or not, & should we not comply with this requisition, nothing shall be shipped. The Duties on all Exports are to be paid as heretofore by the Merchants.

One further restriction was first encountered in this season.

Jan'y 22, 1782. From the Caprice of the present Hoppo we have met with many impediments in loading our Ships particularly in sending Raw Silk on board, as he revived an Old Law of the Emperors that only 100 Peculs (130 Bales) can be exported on a Ship; after much delay this difficulty was got over, and permission granted to export 250 Bales, but not in time to take advantage of it as the Ships were nearly loaded.

Jan'y 31 [after the departure of all but one of the ships]. Puankhequa informed the Council that the Hoppo had reconsidered his resolution respecting the Quantity of Raw Silk to be exported on each of our Ships, and had now given permission for 350 Bales.

It is to be observed that Puankhequa's interests were affected, since in recent years much of the silk had been bought from him.

In this year of general European war neither French, Imperial, nor Dutch ships came to Canton. The Dutch, having borrowed money at Macao,

proposed to form an Investment to be sent in Chinese Junks to Batavia. When we became acquainted with this, we desired the Merchants to tell the Mandareens in our Names, that if any English Ships met with Junks freighted by the Dutch, they would seize them agreeably to the Customs of European Nations. . . . We believe this representation has had the desired effect, and induced the Mandareens to interfere in it; for we hear the Chinese will not now receive the Dutch Teas on board their Junks, but there is a probability of their being sent in Macao Ships.

The Portuguese provided for this profitable neutral trade by means of their own shipping, and by buying several English country ships.

Though without ships, the Dutch supercargoes were in their factory at Canton, flying their flag; and there was the usual exhibition of bellicose exuberance by the English sailors, led, as was observed, by their boatswains. The flagstaff was cut down

and the supercargoes insulted by cries ; Mr. Bradshaw called to tender them an apology, which they accepted.

On November 14th Mr. Evans, surgeon's mate of the *Ponsborne*, and Mr. Burton, midshipman, were in a passage boat going from Whampoa to Canton, when they got into an altercation with the boatmen. Mr. Burton was thrown overboard and saved himself by swimming to the shore. Mr. Evans was not heard of again. The matter was reported to the authorities, and six days later it is recorded that

the Boatmen with the Girls were this day examined by the Nam-hoa-yuern [Namhoi Hien] at the Joss House, when we learn the Men on being put to the Torture confessed they threw the Surgeon's Mate overboard soon after the Midshipman. The reasons alledged for this uncommon Act of Cruelty were, that these People insisted on having more Girls brought them, which the Boatmen refused to comply with—this brought on a Quarrel in which the Midshipman was knocked Overboard, and soon after the Surgeon's Mate. We have every reason to believe the Boatmen will suffer the Punishment their Crime merits.

On February 23, 1782, a Chinese was playing on Banksall Island with a boy from the *Hastings* and throwing crackers at the boy's feet and legs.

The boy went into the Banksall & took up a Fowling piece with an intent to intimidate the Man ; the Gun being unfortunately loaded went off and shot the Man in the Temples, who in about an Hour expired. Puankhequa being Security for the Ship was made acquainted with the Circumstances instantly. . . .

Feb. 25. Puankhequa returned from Whampoa. The Body of the deceased Chinese was examined, several Witnesses called, the Mandareen also saw the Boy. We learn the Boy's Age (12 years) is a sufficient safety, as under fiftcen he could not suffer, according to the Chinese Laws. The Musquet was demanded to be given up, but it was deemed proper by the Mandareen & Puankhequa to take a Pistol instead of it.

The Council reported to the Court that

by Puankhequa's Activity and Influence with the Mandareens the Affair has been settled without our meeting with any Impediments to our Trade.

In 1781 the triennial mission bearing tribute from the King of Siam arrived in Canton.

In August last the King of Siam sent Ambassadors here with the following presents to the Emperor.

10,000 Peculs Sappan Wood.
3,000 ,, Pepper.
300 ,, Tin.
100 ,, Elephants Teeth [Tusks].
3 Elephants.
Peacoks & Hens.

Also sundry presents to the Officers of Government in this Province.

In this year the Council received a letter having an historical value.

Fort William, Dec'r 14, 1780.

The Station of first Counsellor at this Presidency having become vacant by the Departure of Philip Francis Esq^r^ who has lately embarked from hence for Europe, we think it proper to inform you that Edward Wheler Esq^r^ the next Senior Member of this Council has succeeded to it.

(signed) WARREN HASTINGS
EDW^d^ WHELER.

XXXVII

A SPECULATION IN OPIUM, 1782

The Council, with Mr. James Bradshaw as Chief, carried over through the season 1782, opening on March 18th with a stock :

	Tls.	Tls.
Silver	639,870	
Tea, 21,342 piculs	284,246	
Due from Merchants	24,790	
		948,906
Owing to Merchants		266,560
		682,346

Tea continued to come in, 27,235 piculs up to April 8th, when they settled with all the merchants, paying them in full a total of Tls. 499,465 ; they further made advances of Tls. 158,327 on tea and silk contracts ; and then went to Macao. During the ensuing season they received Tls. 748,986 into the t easury in exchange for bills on London at 365 days at 5*s.* 6*d.* ; but they had to pay out Tls. 231,670 on bills drawn on them by the treasury of Bengal, of which Tls. 160,518 were drawn against the cargo of the *Nonsuch*, to be paid into the treasury on its sale.

They provided tea as above on the supposition that they would have thirteen ships, but during the season only four arrived. They carried away a lading of 21,176 piculs of tea, 1,205 piculs of raw silk, 20,000 pieces of nankeens, and the customary flooring of chinaware, the investment for the four amounting to Tls. 745,250. There were also at Whampoa 3 Swedish ships, 4 Danish, and 1 Tuscan ; by the Swedish ships were imported 150 chests of silver, containing 600,000 Spanish dollars, and by the Danish about 100 chests. Of the Tuscan ship from Leghorn it is noted :

> She is presumed to be a French concern ; the Ship is a French Frigate & the real Captain & all the Officers of that Nation, tho' they have a nominal Captain who is an Italian.

The census of March 1782 showed only two private English traders still at Canton, and 'about thirty Armenians'. On September 23rd the French Consul, M. Vauquelin, died; and, though England and France were at war,

> The [English ship] *Nonsuch's* Boat with an Officer attended, and the ship fired Minute Guns during the Ceremony

of his funeral at Macao.

Expecting, as they did, thirteen ships (in one report they wrote fourteen), the supercargoes made provision for that number, and were greatly embarrassed when only four arrived. They had packed, received, or contracted for 68,288 piculs of tea; their four ships took 21,176 piculs, leaving 47,112 piculs on their hands; their bills on the Court had been of an amount sufficient to provide funds to pay for what had been packed and received, but they had in their minds

> the Inconveniences we should bring upon the Hon'ble Company by drawing upon them to so great an amount, without being able to send home Cargoes in any degree answerable to such drafts.

The contracts for Bohea amounted to 19,000 piculs, and of this quantity they persuaded the merchants to cancel 7,500 piculs; but that still left them with 39,612 piculs in hand,

> enough to give us great uneasiness as well on account of the necessity we shall be under of drawing Bills to the Amount to discharge our obligations, as from our apprehensions of the detriment to which such goods are liable from being so long kept & the risk of Fire and other accidents.

There was also the responsibility; for the value of these teas, which must be kept on hand for twelve months, was Tls. 515,685.

In 1781 the Hoppo had revived an old regulation prohibiting the export of raw silk in excess of 100 piculs by any one ship, but had relaxed his rule at the end of the season. In 1782 he again revived it.

> Dec. 2. Since this present Hoppo has been in Office, business has been so much interrupted as to become alarming. At present he is determined to prohibit any more than 100 Peculs of Raw Silk to be exported on a Ship, agreeable to an old regulation, this we do not doubt is to oblige Puankhequa to pay him a Sum of Money for his permission, which that Merchant is at present determined not to do.
>
> Dec. 11. Puankhequa informed us that he had received permission from the Hoppo to export the full quantity of Raw Silk, for this

indulgence he declares he paid four thousand Tales. He acquainted us he would deliver an additional quantity, that is 400 Peculs if we chose.

The Council did choose, since it was their object to send as valuable a cargo as possible, to meet the bills which they had drawn on the Court.

Owing to the war the Indian establishments could do nothing to supply the needs of the China Council. From Madras Lord Macartney wrote :

Our distress for Money has rather increased than diminished & we cannot therefore flatter you even with the most distant hope of any supply from hence.

Bengal and Bombay could give no greater help ; and in Bengal, in order to relieve the stringency in its own treasury, and by the same stroke to fill the treasury at Canton, the Governor-General initiated a mercantile transaction which created some degree of embarrassment for the China Council. He invited subscriptions for ten lakhs of rupees, and gave the lenders certificates for the equivalent in dollars, which were to be exchanged at Canton for bills on London at the exchange of the season, which was actually 5*s.* 6*d.* for bills at 365 days. To provide cover for this operation he withdrew opium from the Calcutta sales and shipped it on the Company's account : 1,466 chests on the sloop *Betsy*, invoiced at current rupees 719,108 ; and 1,601 chests on Lieut.-Colonel Henry Watson's private ship of war *Nonsuch*, invoiced at current rupees 825,023.

The *Betsy* was ordered to sell such opium as she could along the Malay coast, and to carry the rest to Canton. She disposed of some of her cargo to the amount of 59,600 dollars ; and she was then captured by a French privateer in the river at Rhio, Sumatra. Her commander, Robert Geddes, escaped with the 59,600 dollars, which he paid into the treasury at Canton.

The *Nonsuch*, copper sheathed, sailed according to orders around the eastern end of Java, thence to the coast of the Philippines, showing French colours ; from the Philippines to Macao she was to fly the Spanish ensign and pendant. Her commander, William Richardson, reported his arrival at Macao on July 21st. Including Canton charges the cost of her cargo was as follows :

Patna Opium 1601 chests at 449. 6. 4.	Ct. Rupees	719,469	
Charges at Calcutta	,,	3,416	
Freight at 50 Sicca Rupees ℔ chest	80,050		
Captain & Officers in lieu of Privilege	8,000		
Sicca Rupees	88,050		
Batta, 16 ℔ Cent.	14,088		
		102,138	
Current Rupees		825,023	
at 214. 0. 4. ℔ Dollar		Dollars	385,435
Charges at Canton: Demorrage at 110 ℔ Diem			12,540
Mesurage			4,073
Factory expenses			2,778
Pilot and Linguists			326
Dollars			405,152
Taels			291,709

The opium was sold, on long credit, at 210 head dollars per chest, a total for 1,600 chests (one being short delivered) of 336,000 head dollars = 329,280 old Mexico milled dollars = 237,082 taels; a loss, not counting interest, of 54,627 taels, or 18·7 per cent.

Opium was contraband. This statement is again made categorically. The Governor-General, Mr. Warren Hastings, and the Supreme Council wrote in their letter of advice:

> We think it necessary to observe that the *Nonsuch* will enter the River at China as an armed Ship, & will not be reported as bearing a Cargo of opium, that being a contraband Trade.

The Council at Canton was too well informed to enter her as a ship of war, and, in bringing her up to Whampoa, paid measurage on her in ordinary course. Though opium was contraband, it was now regularly imported in English country ships and in ships under other flags. Under various dates the Council report:

> Sinqua has had large dealings with the Commanders of the Country Ships for Opium.
>
> When the Supreme Council determined upon the Measure of sending this Opium to China, we could have wished they had prohibited such large quantities being purchased by the Owners of the Macao Ships; there are in that City at least 1,200 Chests, besides a quantity has already been disposed of.
>
> The importation of Opium being strongly prohibited by the Chinese Government & a business altogether new to us, it was necessary for

us to take our Measures with the utmost caution. As this article is frequently disposed of at Macao, we at first determined to keep the Ship a few days there . . . but Sinqua was of opinion her remaining there might cause enquires to be made which would be attended with inconveniences. . . . Puankhequa also gave it as his opinion that the ship should go to Whampoa to prevent suspicion.

Not one of the Hong Merchants at Canton would have anything to do with the opium—each was 'unwilling to have his name made use of in the affair in any shape whatever'. The merchant Sinqua was the only one with whom the supercargoes could deal —not because he lived at Macao, for there he was as much subject to the officials as at Canton; but because, being a regular dealer in opium, he had already made all arrangements for greasing the wheels of the trade. To him therefore the whole cargo was sold on such terms as he would offer. Owing to the competition of private stocks, he was only able to dispose of 200 chests in Canton, Macao, and their vicinity, and he sent the remaining 1,400 chests for sale down the coast from Tongking to the Malay Peninsula.

Sinqua was one of the new Hong Merchants, but had not been appointed at the date of the arrival of the *Nonsuch*; and, either for this reason, or because it was not advisable to connect a known dealer in opium with the ship, he was not Security for her. Instead, the unusual step was taken of making the four established solvent Hong Merchants her joint Securities. Although a great mystery was made of her cargo, it is not to be supposed that it was not generally known that she carried opium; it is certain that every official in and near Canton was well aware of the fact. When she had discharged her private trade and the 200 chests of opium destined for the Canton market, Captain Richardson applied for his Grand Chop in order that he might take his ship to an anchorage outside Macao, where he might discharge his remaining 1,400 chests. The Hoppo thereupon, on the ground that she carried away no export cargo, demanded from the Securities the sum of 20,000 taels as a gratuity. He persisted in this demand; and finally, on December 12th, the Securities having

given assurances to the Hoppo that they will be responsible for all the Duties as well as the present of Twenty Thousand Tales, the Hoppo issued the Grand Chop.

It may be observed that, if opium was actually contraband, the Hoppo could not levy duty on it, or even take cognizance of its existence; and that 20,000 taels was the equivalent or compensation for Tls. 100 duty on each of the 200 chests imported for local consumption, and for Tls. 12·50 on her whole cargo.

Relations with the Macao authorities were on an improved footing. In May they complained to the supercargoes that nine slaves of Macao had been carried away in the Company's ships which had sailed in March. The Council promptly paid compensation, 597 dollars, accepting the truth of the allegation. In June news was received of Captain M^cClary's action; whereupon,

as it is impossible to foresee what the Governor and Senate may think proper to do, from the sentiments of the former, expressed in his letter of the 1st of December last,

Mr. Bradshaw wrote to inform Puankhequa of the matter. In reply the merchant

acquainted us that, should the People here, [at Macao] molest us, he requests we would address a Chop to the Tsongtoc & Hoppo jointly, claiming therein protection, & another to the Merchants desiring them to present & explain it. He is confident the Mandareens will never permit the Portuguese to give us any trouble.

When next the Governor of Macao had occasion to address the Council, his tone was much more polite.

In June word was received that Captain M^cClary, in company with the *Death and Glory* privateer, had captured two ships from Macao, the one because she had Dutch property on board, the other 'to reimburse the loss sustained by him here last year'. The latter was owned by the owner of the sloop, for which he had been forced to pay 70,000 dollars.

We likewise beg leave to prefer another complaint against this Gentleman for going forcibly on board a Chinese Junk near Banca belonging to a principal Merchant [Chowqua] of this place [Canton] which he plundered for 4 days & took out goods to a very considerable amount on pretence of their being Dutch; we have been applied to by the Owners who declare the Goods to be Chinese property, & from the nature of the assortment we are inclined to credit them.

The Dutch supercargoes also wrote transmitting a letter from the Superior Council of Batavia complaining of Captain M^cClary that he had committed

Violence and Cruelties which the Laws of War can never justify and

which ought to be held in abhorrence by all Nations consequently can never pass unpunished when before a competent Tribunal.

Chowqua's claim amounted to 38,398 taels. The Council had, as usual, to inform the Governor of Macao, Chowqua, and the Dutch supercargoes, that they had no powers sufficing to control or restrain Captain McClary; but they transmitted the several plaints and affidavits to the Governor-General, Mr. Warren Hastings, making such representations as would support their demands.

This buccaneer's exploits were done under cover of an active naval war. In their letters of advice the supercargoes were informed of various episodes in this war: that one of the Company's ships for Canton, the *Fortitude*, had been captured by a French frigate; that Admiral Sir Edward Hughes, with his fleet in inferior force, had gained a signal victory over the French fleet; that H.M.S. *Hannibal*, 50 guns, off the coast of Coromandel, had been surrounded by the French fleet and captured; that the four Company's ships for Canton, with the country ship *Shaw Byram Gore*, had an action in the Straits of Malacca with the French frigate *Pourvoyeuse*, 44 guns, and had beaten her off; that the country ship *Cartier* had been captured off Ceylon by the French frigate *Bellona*. The Chinese authorities were apprehensive of danger from Captain McClary's ship and from foreign ships of war engaged in military operations; and they issued strict orders to the supercargoes of all nations, enjoining on them that they must keep McClary's ship away, and must keep their own warships from coming up to Whampoa—

and if you conceal or deceive me with respect to their coming they shall be chastized and you too, and shall not be forgiven.

The Council avoided returning any answer to this, as long as they could, but, when pressed, could only reply

that it is not in our Power to prevent his Majesty's Ships (should any arrive) coming up as usual to the Second Bar, if their Commanders are so inclined.

The Hoppo again brought the matter up in September, when the Council again replied

that Captain McClary would not be here this season, but that had he chose to come we could not have prevented him, that it was customary for his Majesty's Ships to enter the River, and that it was totally out of our power to restrain them.

In 1781 the gun-brig *Rodney* and the Company's dispatch vessel *Fox*, convoying the Company's ships, had remained below at Macao, permission to go up to Whampoa having been refused.

This troublesome Man now insists that the Brigs *Rodney* & *Fox* were King's Vessels, and declares he will not give permission in future for any Vessel to come into the River but such as are laden with Merchandize.

The Hoppo's opinion of the status of the *Nonsuch* is not clear. She had not been declared to be a ship of war, and measurage had been paid for her in ordinary course ; and yet—

Dec. 9. We find the reason that the Grand Chop for the *Nonsuch* cannot be procured is on account of some Duties and the payment of twenty thousand Tales which the Hoppo demands as a Free Gift from the Merchants as he considers the *Nonsuch* a Man of War, such are the extraordinary exactions of this Government. . . . The pretence of her being a Ship of War of which on account of the Sepoys on board he cannot or will not be persuaded to the Contrary.

When the Council in the end replied to the Hoppo on the subject of the ships of war,

The Way-yuen was sent to get [from the supercargoes] the Translation of our Letter who informed us that the Hoppo would not trust either the Merchants or the Linguists ; a resolution which we did not fail to commend, as we have frequently found that the meaning of our Chops have been altered by the Merchants to suit them to their own purposes.

In later years the Court gave facilities and offered inducements to some of their supercargoes to study Chinese ; but, in the absence of Mr. Bevan, the present Council could communicate only in pidgin English.

In April the authorities sent a second dividend, of the same amount as the year before, for the debts of Yngshaw and Kewshaw. In September the market prices for certain imports were :

Tin,	per picul,	Tls.	18·90
Pepper,	,, ,,	,,	13·50
Cotton,	,, ,,	,,	11·50
Putchuck,	,, ,,	,,	24·50

But when the cargo freighted on the four ships was sold in October the price realized for cotton was Tls. 9·50, and for putchuck Tls. 18·00, these prices having been given uniformly by the Security Merchant of each ship.

The Hong Merchants at the opening of the season were reduced to four. The Hoppo wished to increase their body to the standard number of thirteen; and in April he issued a proclamation to advertise for applications. Generally the Canton merchants tried to evade the burdensome honour; but in August it became known that five additional Hong Merchants had been appointed —Sinqua, Geowqua, Pinqua, Seequa, and Lunshaw. We have heard of Sinqua in connexion with the opium by the *Nonsuch*. Of the others, two had been dealers in a small way; the other two had been cashiers, one of Puankhequa, and one of Yngshaw. The Hoppo demanded that the old merchants should collectively be security for their new colleagues; this they refused categorically. He then required the five to be jointly securities for each other, and this was agreed to. Howqua having refused to become a Hong Merchant, was coerced into being a distributor of salt under the gabelle:

> Howqua, Puankhequa's Purser, had also been mentioned, but positively refused to comply; & absconded for some time; as a punishment for which he is compelled to be a Salt Merchant which will probably ruin him very shortly. He now repents very sincerely that he did not accept the Hoppo's Offer of a Hong Chop.

It may now be definitely stated that the Co-Hong (as it was styled in later years) was firmly established with all its privileges; but it was under the control of the Hoppo, and was made the instrument for extracting a great revenue from the foreign trade, for the benefit primarily of the Hoppo, and indirectly, through him, of the Canton officials and the Court of Peking. It was on the information sent from Canton in these two years that, before a committee of the House of Lords in 1783, Burke declared, in comparing the monopoly of the Co-Hong with that of the East India Company,

> As the Chinese monopoly is at home, and supported by the country Magistrates, it is plain it is the Chinese Company, not the English, which must prescribe the terms.

XXXVIII

RELATIONS OF SUPERCARGOES AND MERCHANTS, 1783

THE same Council carried over into the season 1783 with Mr. Bradshaw as Chief until November, when he went on the sick list, going home in January, and being succeeded by Mr. William Henry Pigou. The books were opened with the following stock :

	Tls.	Tls.
Silver in the treasury	348,143	
Tea in stock, 27,322 piculs . . .	366,146	
Chinaware, 84 chests, &c. . . .	2,657	
Due from Sinqua (for opium ex *Nonsuch*)	236,880	
Due from others	2,748	
		956,574
Due to Chinese Merchants . . .	245,110	
Bonds for money on deposit at 8 ℘ Ct.	20,006	
		265,116
		691,458

The sums due to the merchants were paid on the day the books were opened. During the season 13 ships arrived for the Company, carrying, in addition to their own lading, the cargoes of several others destined for Canton in 1782, but detained in Indian ports ; from them the English woollens realized Tls. 708,629, lead Tls. 60,652, and Indian produce Tls. 126,245. They brought only Tls. 8,640 in silver for the Company ; but the Council received into their treasury Tls. 74,117 in silver from Sinqua on account of the opium deal, Tls. 696,993 against bills on London at 365 days and 5*s.* 6*d.*, and Tls. 100,101 on deposit from residents in Macao at 10 per cent. per annum ; and they paid out Tls. 21,606, including interest for the bonds of 1782.

Peace with France having been resumed (the first news being received at Canton on July 16th), French ships were again at Canton, and the trade of the port was as follows :

		Ships. No.	*Silver imp'd.* Chests.	*Tea exp'd.* Piculs.	*Raw Silk.* Piculs.
English	Company	13	3	92,130	776
	Country	3	..	614	147
French		8	195	31,735	211
Imperial		5	109	25,714	10
Swedish		3	218	36,592	18
Danish		3	94	24,030	..
Spanish		1	39	..	..
Prussian		2	22	24,974	163
		38	680	235,789	1,325

The English Company's ships, though larger than a score of years before, are still smaller in tonnage than the ships of continental Europe: the trade of the season was essentially one of tea; the thirteen ships of the English Company took away an average of 7,087 piculs, while three of the Swedish Company took an average of 12,197 piculs, two of the Danish 12,015 piculs, and two of the Prussian 12,487 piculs. The Prussian ships were at Canton on Dutch account. Of the French ships the following particulars are noted:

The *Meduse* [1,200 tons] and *Dryade* [1,000 tons] are two large French King's Frigates, but will not carry more than 600 tons. *L'Hippopotame* came from Brest under Imperial Colors to the Isle of France where hearing of Peace the Colors were changed to French. The *Pacifique* and *St. André* were fitted out at Marseilles whence they came to the Mauritius under Savoyard Colors, and learning of Peace hoisted French.

One of the Imperial ships, bound down to the Second Bar, ran on shore three miles below Whampoa on March 16th.

Application was made for Chop Boats to unload her, but it was refused for some time as a bad Precedent, such is the Conduct of this Government towards Europeans.

March 17. The Imperial Ship is got off, having thrown overboard Fourteen of her Guns. She has suffered some damage.

The English trade has, for the time being, temporarily freed itself from direct importations of silver on the Company's own account; but nearly two and three quarter million dollars were this year imported to finance the trade of the continental Companies.

The census gave as resident in Canton, outside the official staffs, only one English and one Danish merchant, and 'about

thirty Armenians'. The English merchant, Mr. John Henry Cox, under strict instructions from the Court, was ordered to leave without delay. He begged to be allowed to remain for one year more—

which as he had always conducted himself with great propriety, and becoming respect and deference to the Hon'ble Companys authority we have ventured to allow; more especially as he has been of signal utility to us upon several occasions which our absence from Canton would have otherwise rendered very embarrassing.

There was more doubt about the status of another native-born British subject, Mr. John Reid, who was actually Chief of the Imperial factory.

We understand he has hitherto had a Commission in the Hon'ble Companys Marine Service at Bengal, but has since resigned his pretensions in the Service. We find on enquiry that he is a naturalized Subject of the Emperor, and has his Imperial Majestys Commission as Consul.

The supercargoes decided that it would be 'improper to give him any molestation', but desired to have the Court's instructions regarding him.

Mr. Leslie, on his release from prison in Macao, went to Calcutta, where he complained of his treatment to the Governor-General. Mr. Warren Hastings wrote under date of March 10, 1783:

Mr. Abraham Leslie, who is now here, has presented a Memorial to us complaining of oppressions from the Macao Government, but as it appears from his own representation that he drew them upon himself by the violence of his Behaviour at Canton, we cannot think him entitled to the interference of our Government.

Macao at this time lost such fragments of independent fiscal status as it had enjoyed—it never had any independent administrative status except over Portuguese subjects.

Febr'y 10. Some time ago a Chop was published by the Hoppo, wherein he declares the Ships that arrive in future at the Port of Macao shall be on the same footing, with those that come to Whampoa, his reasons are, that the Dutch make use of Portuguese Bottoms to import Commodities into the Empire, which would if that conveyance did not exist be brought in their own, and consequently to Whampoa. That in future all goods sent from hence for the Ships at Macao, shall pay the same Duties as those sent to Whampoa. By this regulation

the Port of Macao will suffer, and the Frigates, it is reasonable to suppose must come to Whampoa to load.

Aug. 7. Some months ago a Soldier belonging to this place [Macao] killed a Chinese by stabbing him, every method was taken to save him, but the Portuguese were this day compelled to Shoot him, in the presence of some Mandareens sent down from Canton, the usual way of execution for such Crimes is Strangling, but this the Governor of the City would by no means permit.

In January, 1784, the Council decided that they must have a representative permanently resident in Macao.

Having for these two years past experienced the great convenience of a Person residing at Macao as our Agent, We have ventured to appoint Mr. John McIntyre in that capacity, which we hope the Hon'ble Court will not disapprove, and that they will be pleased to order him such recompence as they shall judge proper.

Two years later, however, the Court informed the Council that they did not consider an agent at Macao necessary.

Captain McClary began his career at Macao, continued it at Whampoa and then on the high seas, and was next heard of at Calcutta in July 1782. Mr. Warren Hastings wrote (March 10, 1783):

We read with attention your former representations respecting his proceedings at China, accompanied by a Protest against him for seizing a Dutch Ship in the River at Whampoa. . . . Soon after his arrival a charge was preferred against him and Mr. John O'Donnell, accusing them with having Murdered several Malays in the Straits of Malacca. We caused them to be apprehended . . . but released Captain McClary against whom there were no proofs, or valid grounds for a criminal indictment, and Mr. O'Donnell was sent to take his Trial by the Court of Admiralty at Madras, by whom he was acquitted.

The Governor-General also received memorials direct from Portuguese and Dutch plaintiffs, charging McClary with the various acts done by him; and to them all he replied that

the Court of Justice, which was the only power in this Country Competent to grant them redress for the loss they had sustained was open to any Prosecution they might think proper to institute against Captain McClary or others, either for the recovery of their Property in a Civil Suit, or to punish a Criminal Offence.

In reply to the plaint of the Governor of Macao, assurance was given that, if some person would come forward to prosecute and produce evidence to support the charges,

we would grant him all the Assistance and Support in our power to obtain a legal decision.

To all the complainants every assistance was offered, including that of our Attorney and Advocate to carry on a Civil suit, but if a Criminal prosecution is intended it will be necessary to refer them to the Presidency of Fort St. George, where a Competent Admiralty Jurisdiction exists by the Old Charter, though its powers are defective at this place [Fort William].

Partly because of McClary's exploits, partly, there is every reason to believe, because of the voyage of the *Nonsuch* in 1782 with a cargo of opium, partly also, it may be supposed, because ships of war took away no Chinese produce, the authorities became more rigid in their treatment of ships which professedly brought no cargo. On June 5th the Company's packet *Antelope* arrived at Macao in a damaged condition, with letters for the Council, but bringing no cargo or silver.

We made application to the Portuguese and Chinese Governments for such assistance as might enable the *Antelope* speedily to refit, and proceed on her further destination with as much dispatch as possible; The Portuguese very readily granted every assistance in their power, and permission for her to lie in the Typa for that purpose, but the perverse and suspicious Character of the Chinese Government was never more strikingly exhibited than on this occasion; Every day produced some Message, Chop or Visit from Mandareens of different descriptions to know the quality of the Vessel, the reason of her coming, why she brought no Cargo, and other questions of similar Importance, and though we told them repeatedly that she came to bring Letters in the same manner as other small Vessels had done before, and only wanted Provisions to enable her to depart, it was not until the 27th of June, two and twenty days after her arrival, that we could obtain Leave for a Compradore to supply her with Provisions and other Articles necessary for her repairs.

This permission was obtained only after an explicit explanation had been given in a Chop to the Hoppo sent through Puankhequa, and even then the brig was not allowed to enter the river. She sailed on July 20th, and on August 9th

was lost upon a Coral Reef in the Latitude of 7° 30′ North and about 4 Leagues distant from one of the Pelow or Paloas Islands.

The crew were got on shore on an uninhabited island, with a supply of provisions, arms, spars and rigging; a small schooner was built and named the *Oroolong*, in which, on November 9th,

they sailed away, arriving at Macao on November 30th. Application was made to the Viceroy and the Hoppo for permission to sell the *Oroolong* at Macao, and to bring Captain Wilson and his men to Canton to be sent back to England in the Company's ships.

Received a very gracious answer to our Letter from the Tsongtoc and Hoppo, granting permission for Captain Wilson and his People immediately to come to Canton, and expressing great Concern for their Misfortune.

The supercargoes' relations with the Chinese were not at all times and in all respects of an unpleasant nature. On April 5, 1783, before the close of business for the season 1782, and before they left for Macao, they

entertained Fourteen Mandareens of Rank at Dinner, together with Puankhequa, they seemed extremely well pleased with the attention paid them.

Between the supercargoes and the merchants whose credit was not under suspicion, the relations were those of mutual trust and of confidence in each other's honour. This is shown most markedly in regard to the returned teas. For some years previous to this the Court had been returning considerable quantities of teas, on the ground that they were falsely packed, or artificially coloured, or inferior to the declared chop, and had demanded that the merchants should replace them; this they had always done, trusting to the honour of the Court and of the Council. In 1783 no less than 1,402 chests were so returned out of the 1781 shipments, much of it Bohea, of which the chest contained about two and a half piculs.

On acquainting Puankhequa with the quantity of Returned Teas on board the *Royal Henry*, he appeared extremely surprized and chagrined when he understood there were no less than 680 chests already at Whampoa, and still more so on being told that the whole quantity expected was 1,402 Chests: As we understood the Packages were in a very ruinous condition, and the Numbers mostly effaced, we requested he would consent to take his proportion of the whole Quantity agreeable to the account received by the *Fox* Packet, which is the only one in our hands. This he seemed very adverse to and requested that in a matter of so much importance we would allow him some time to consider how to act, and it was not until after several Weeks were elapsed that we could obtain any satisfactory answer: He at length

procured the Hoppo's permission (in which we believe he had some difficulty) to land them without paying the Duties: Their appearance soon convinced him of the difficulty there would be in ascertaining his Chops; Some of the Chests were entirely demolished, and their contents put into Casks, Baskets, Bags &ca. and the whole in such a state that it was utterly impossible to distinguish what the greater part had ever been. As the arrival of the remainder of his Teas is uncertain, and we were anxious to put an End to so disagreeable a Business, we with much ado prevailed on him to suffer the whole quantity expected to be carried to Account without waiting its arrival, and he has at length consented to pay 10,000 Tales this Year, and the remainder the next. Shy Kinqua who had a small quantity returned, readily agreed to repay the amount, as did Howqua, but [Howqua] begged we would consider his situation, and assist him with the Purchase of some Goods which might enable him the more easily to comply with our demands, we accordingly contracted with him for 600 Chests of Bohea, he consenting at the same time that the amount of his returned Teas should be deducted.

In later years the Company first, and mercantile firms afterwards, had all their 'tea experts', whose duty it was to 'taste' each chop of tea, gauge its quality and value, and accept responsibility for fixing the price; but that day had not yet come.

Howqua had secured release from his salt business and received his Chop as a Hong Merchant. The supercargoes observe of him that 'we think he will be useful'.

Of the opium ex *Nonsuch* sold to Sinqua, 1,400 chests were sent to Malay ports; but of that quantity 500 chests were brought back to Macao,

which could not be disposed of in the Malay ports. As the Macao ships from Bengal have all imported considerable quantities of this Article: we cannot view last year's transaction in a very favorable point of light for the Merchant Sinqua. . . . He declared his readiness to clear his Accounts with us this Season, mentioned a heavy loss he had sustained (70,000 Dollars) by the Capture of Rhio, in Tin lying there, the produce of the Opium exported to the Straits last Season.

There is also in the supercargoes' report to the Court of Directors a reference to a second voyage, in 1783, of

the *Nonsuch* Country Ship which arrived the 29th of September with a Private concern of Opium.

For their winter contracts made for delivery in nine months the supercargoes were in the habit of making advances, half the

cost of teas, as much as nine-tenths of the cost of raw silk, to enable the Hong Merchants to pay cash to the country dealers and so to secure prompt delivery and to obtain the lowest prices. In January, 1783, Munqua informed the Council that it was

entirely out of his power to pack his Bohea Tea contracted for [a year earlier] without we advance him Tales 10,000. As this is a very uncommon request and may lead to a precedent of a very bad nature, We took his request into the most serious consideration. It is with concern we observe this Man's affairs are in so desperate a situation. . . . Should his request be refused by us, he must be considered from that moment a ruined Man, as the Country Merchants will then perceive he has no longer Credit with the Europeans.

Munqua informed them that his business had fallen off because of the absence of the Dutch, and promised, if the advance were made, to pack his tea within fifteen days; and, on the understanding that this should not constitute a precedent, he received his advance.

After the supercargoes had made all their contracts for tea in the spring of 1783, they found themselves with their silk still unprovided.

May 4. Puankhequa has been frequently spoken to about procuring a quantity of Raw Silk on Credit, but has always answered that he wished to have some Money advanced him, He has been told that we shall have only a very small sum remaining, that if he procures the Silk he will greatly assist the Company. It has not been forgot to remind him of the many favors We have shewn him on several occasions, and that we think the Company have a Claim on him for his assistance in this Instance.

May 10. Puankhequa informed us that he had not been able to procure more than 200 Bales of Raw Silk, of a Quality such as he would venture to offer us. For this Parcel he demanded 275 Tales ℔ Pecul, and declared he could not afford it cheaper.

This was 5 taels dearer than the earlier purchases; but, in addition to the fact that the purchase was on credit, to be paid for on the arrival of the season's ships, he said that those 5 taels

had been paid to the Hoppo as a present, for granting him permission to exceed the quantity allowed by order of the Emperor to be exported.

The terms were thereupon accepted.

Try as best they might, the supercargoes could not conform to the instructions which the Court continued to send year by

year, to sell their goods for ready money ;[1] nor could they induce the merchants to exceed the fixed prices for imports. An instance of the evasion of both limitations is found in the case of pepper imported by the *Northumberland* ; the fixed price was Tls. 10, and the supercargoes demanded Tls. 11.

Chowqua being Security for the Ship, and at the same time being extremely desirous of possessing the Pepper, we agreed to offer it him at Tls. 10·50, after some time he made this offer, for $\frac{4}{5}$ of the Pepper Tls. 10·30, to give us 1,500 Chests of Twankay and Singlo at 25 and 23 Tales, also 600 Chests of Bohea at Tls. 14·50 Pecul. These terms we agreed to accept, as by these means the prices of the present Contract for Bohea will be settled, an object of very great importance.

With Geowqua we agreed for 700 Peculs of Twankay and Singlo at 25 and 23 Tales, also 600 Chests of Bohea at Tls. 14·50 ℔ Pecul, and he is to receive $\frac{1}{5}$ or 1,000 Peculs of Pepper at Tls. 10·30.

Previous purchases of teas had been at 26, 24, and 15, but the reduced rates prevailed for forward contracts during the rest of the season.

The prices had been fixed just before the date of this transaction, and the supercargoes contrasted them with what they had ascertained to be the prices in the open market :

	Europe prices. Tls.	*Chinese prices.* Tls.
Tin	15·00	17·20
Pepper	10·00	12·50
Cotton	9·50	15·00
Putchuck	18·00	23·00
Sharks' Fins	18·00	24·00
Lead	4·00	5·55

English woollens, however, were sold at the prices which had been fixed by the supercargoes since a date before the establishment of the Co-Hong, except that Long Ells were advanced from Tls. 7·00 to 7·50 a piece ; this was advantageous, since the annual indent for woollens included usually about 40,000 pieces of Long Ells.

During this year 'the Hoppo exacted Tls. 4·800 ℔ Pecul additional duty on Raw Silk' ; he also decreed that the duty on cloth should be levied per piece at a rate based on the longest length (18 yards), and not according to the general run of 16 to 17 yards. He also

issued an Order that all Persons not being Hong Merchants shall pay

double Duties on their Goods. As our China Ware Merchants are not of that description it will consequently affect them, and oblige them to raise the price of that Article.

The Chinese officials at Macao also made new impositions :

May 13. This Morning the Pilot came up from Macao, he has been detained fourteen Days by the Mandareens at that place, as they would not grant him permission to carry the Ship down, untill he consented to pay a considerable Sum of Money for a Chop.

June 20. It is now fifteen Days since the *Antelope* arrived here [Macao], and we have not yet been allowed to have a Compradore, or permission to send any sort of Provisions on board, nor will they permit her Water Casks to be brought on shore to be repaired.

June 27. After repeated applications to Canton, Caza Branca, and the Mandareen of this City [Macao], we have at length received leave to victual the Vessel, and put her in a situation to depart.

Oct. 9. We resolve to make a representation to the Hoppo of the shameful exactions levied on going and coming from Macao.

The Councils of all the nations sent the Hoppo representations on the subject of these exactions.

Oct. 15. The Linguists brought our Chop to the Factory unopened, they were immediately ordered to take it back again, as we would on no account receive it, The Hoppo desires to have it presented through the Merchants, whom we imagine are unwilling to do so, as Puankhequa is indisposed. The Swedes, Danes, Dutch, French and Imperialists, had their Chops returned at the same time.

Oct. 20. In consequence of our representing the Impositions attending going, and coming from Macao, the Hoppo called the Compradores of all Nations before him this Day, and gave them Twenty Strokes with the Bamboo, As he declared it was their roguery that we complained of, and not his just demands.

The statement that double duty was to be levied was declared by the Hoppo to be unfounded ; but for their other complaints the supercargoes received no satisfaction.

The regular dividend on Yngshaw's and Kewshaw's Debt was paid in the spring, but

We observe the Dividend causes great dissentions as the Merchants cannot agree in settling each persons particular share. . . . Puankhequa cannot attend the Council, to settle his Contracts, being taken up as he says in collecting the Dividend. . . . Se Unqua has been obliged to dispose of the Dutch Factory, his last remaining property, by Order of the Hoppo, to pay the Emperor's Duties, he is therefore to be considered as completely ruined. Pinqua one of the new Hong Merchants has purchased it for Tales 16,600.

The most important matter before the Council of 1783 was an explicit instruction from the Court that an effort was to be made to secure the abrogation of the arrangement ordered to be put in force for liquidating the Chinese debts. On September 27th the Council held a consultation, on which they reported to the Court as follows :

> The 60th Paragraph containing your Honor's Commands relative to the Dividend paid to English Individuals, and directions to represent the Hardships the Company's Trade suffers by that Measure, and praying discontinuance of it in future, We considered with the attention the Subject seemed to demand : When after the most minute Investigation, it appeared to us that the Difficulties to be surmounted were many and great, and the probability of success very small indeed, and moreover that the most successful issue that could in reason be expected would not be productive of any greater advantage than what we now enjoy : For though the Hoppo continues to interfere in settling the prices, we see it is not in his power, or those of the Merchants who are desirous of it, to enforce observance to his regulations which being once broke through, the Combination falls to the ground ; the facility with which this is effaced [? effected] proceeds from the addition of so many Hong Merchants to the former number, which causes such a rivalry and Competition especially of the new against the old, that we are at all times sure of finding some of them ready to engage with us for the real value of our Goods without paying any attention to the restraint attempted to be imposed on them ; and as we imagine from the tenor of those Paragraphs that your Honors sole motive for wishing to have the payment of the Dividend discontinued is founded entirely on the Grounds of those restraints, which we now find it easy to evade, and that the ill consequences which were apprehended from the Assessment laid on the Merchants for that purpose no longer affects the Hon'ble Company's Interest, we were of opinion that it would be more prudent at present to decline an application which might prove disagreeable to Government and was now unnecessary.

In their consultation the supercargoes had classed together Captain Panton, the Select Committee, and the creditors as the agents whose intervention had been mischievous ; but, while they were unquestionably right in deciding against a further appeal to the Chinese authorities, the Council were certainly unduly optimistic in judging that the Chinese monopoly had been broken.

XXXIX

THE *LADY HUGHES* AFFAIR, 1784

THE Council for 1784 consisted of the same members, with Mr. W. H. Pigou as Chief. They opened their books, on February 21st, with the following stock :

		Tls.	Tls.
Cr.	Tea, 27,627 piculs . . .	420,652	
	Raw Silk, 141 bales, 104 piculs	30,085	
	Due from Sinqua . . .	52,763	
	,, ,, others . . .	1,376	
	Silver in treasury . . .	3,257	
			508,133
Dr.	Owing to Chinese merchants .	207,983	
	Interest Bonds . . .	86,029	
			294,012
			214,121

Four additional ships of the season 1783 had arrived before that date, presumably by the Eastern Passage, and were dispatched between March 29th and April 14th, laden from the stock in hand. The ships of 1784 began to arrive on July 5th, but the first ship was not measured until August 1st ; nine of them arrived in time to be included in the transactions of that year. Of the cargoes by these thirteen ships on the Company's own account, woollens realized Tls. 614,027, lead Tls. 39,056, and cotton from India Tls. 40,362. From the proceeds of the private merchants' trade by Company's ships and country ships the Council received into the treasury Tls. 525,242 against bills on London, in addition to 56,842 dollars for which certificates were granted to the officers of the Company's ships, and Tls. 10,225 received as freight on cargo on private account by the Company's ships from Bombay. The homeward cargoes by the first four ships consisted of 26,326 piculs of tea and 275 piculs of raw silk, the invoice cost of this and of the flooring of 715 half-chests of chinaware being Tls. 523,309. The homeward cargoes of the other nine ships consisted of the following :

China-ware	4,465	piculs.
Black teas	42,089	,,
Green teas	17,968	,,
Nankeens	542	,, (19,500 pieces).
Raw Silk	403	,,
Woven silks	3,462	pieces.
Rhubarb	154	piculs.
Cassia	862	,,
Turmeric	616	,,
Sugar candy	325	,,

The principal features of the trade of Canton during the season 1784 were as follows :

	Ships. No.	*Tea.* Piculs.	*Raw Silk.* Piculs.
English { Company	13	86,383	678
English { Country	8	4,351	141
French	4	37,206	117
Dutch	4	40,011	133
Danish	4	23,690	20
American	1	3,024	..
	34	194,665	1,089

In this season the first American ship, the *Empress of China*, 360 tons, Captain John Green, arrived from New York on August 25th, and was dispatched on December 27th. Her entire cargo, inward and outward, as reported to the Court of Directors, was as follows, with an estimate of the values realized and paid, according to the prices of market reports and of the English Company's invoices :

		Tls.	
Inward :	Cotton, 316 piculs, realized	3,160	
	Lead, 476 ,, ,,	1,904	
	Pepper, 26 ,, ,,	260	
	Camlets, 1270 pieces ,,	45,720	
	Skins (furs), 2,600 pieces, realized	5,000	estimated.
	Ginseng, 473 piculs, realized	80,410	
		136,454	
Outward :	Tea, black, 2,460 piculs, cost	49,240	
	,, green 562 ,, ,,	16,860	
	Nankeens, 24 ,, (864 pieces)	362	
	Chinaware, 962 ,, cost	2,500	
	Woven silk, 490 pieces ,,	2,500	
	Cassia, 21 piculs ,,	305	
		71,767	
	Measurage for ship	2,550	
	Disbursements for ship and factory	5,000	estimated.
		79,317 [1]	

[1] This statement is in accordance with the records of the English Company.

Silk was now increased in price to Tls. 310 for Nanking silk (which alone the Company bought), and Tls. 220 for Canton silk. The limitation of shipments to 100 piculs for each ship was now the rule.

We have been for some Days waiting to know the Hoppo's pleasure whether he would ship off the 177 Bales of Silk packed for the *Walpole*, and at last have received his final determination that he would not permit more than 100 Peculs (140 Bales) p Ship to be exported. . . . We must attribute the detention in great measure to the Irresolution of the New Hoppo, who did not know how to act in such a circumstance from being unacquainted with the methods formerly used upon these occasions of placing the Exceedings of Raw Silk by one Ship to the account of others, which had none of that Article on board.

Damaged teas were returned as in previous years, to a value as invoiced of over Tls. 10,000.

The Tea was in various Packages and in bad condition. Puankhequa requested that if any more should arrive the Captains might have orders to throw it overboard before their Ships entered the River as it was with the utmost difficulty that he prevailed upon the Hoppo to forbear charging him with the Import Duty upon what was landed to-day.

Captains of later ships arriving with such teas on board were accordingly instructed to throw them overboard between Macao and Boca Tigris. The Chinese merchants still continued to recognize their liability, but Puankhequa

took occasion to remark that it was well known the English Supra Cargoes had the refusal of all the Green Teas & constantly took the very best, that the remainder was sold to Foreigners, & if any deceits had been practised in mixing Teas, it was natural to expect they would have found them out first, but that in his dealings with them for many years they never had complained of the bad quality of his Goods or of any difference in the Packages of the same Chops.

This demand upon the merchants seemed to make no difference

It is surprising that any camlets were on board; the price is that obtained by the English Company for English camlets; those on the American ship were probably Dutch, which were of superior quality. Ginseng is put at Tls. 170 per picul, the market list giving Tls. 188 for 'Ginseng Canada very best'; the importation of so large a quantity must have lowered the price. Black tea is taken at Tls. 20 (Bohea being Tls. 15), and green tea at Tls. 30 (Singlo being quoted Tls. 25). The excess of value of imports, if accurate, is difficult of explanation; it is probable that the inclusion of the camlets was an error. Major Samuel Shaw, the supercargo, states that, on a capital of 120,000 dollars, the profit clear was 30,727 dollars, about 25 per cent.

in their relation with the supercargoes; and in March the usual winter contracts were made to take the woollens to arrive during the season, and to deliver teas in November and December, in the following proportions:

	Woollens. Sixteenths.	*Bohea* (*Tls. 14·50*). Piculs.	*Singlo* (*Tls. 23*). *Twankay* (*Tls. 25*). Piculs.
Puankhequa	6	10,000	2,000
Shy Kinqua	3	6,000	4,000
Chowqua	2	4,000	3,000
Geowqua	2	4,000	1,000
Pinqua	2	4,000	1,000
Munqua	1	4,000	..

Finer teas were usually bought after their arrival in Canton.

Formerly the supercargoes had, sometimes with difficulty, to persuade the merchants to act as Security for their ships; they seem now to accept the liability in rotation—

Appointed Pinqua Security for the *Ganges* it being his turn.

The factory expenses from January 1st to December 31st, 1784, are given as follows:

	Tls.
Amount of Provisions	13,000
House Rent, Repairs and Furniture .	12,276
Charges Extraordinary	8,957
	38,970 (*sic.*)

Probably an entry for 'Charges Merchandize Tls. 4,737' was omitted.

Besides the limitation on shipments of silk the supercargoes had other difficulties with the Hoppo. On the arrival of the winter ships they were delayed for several days because no permit to unload could be obtained from the Hoppo, and it was resolved to petition him—

and as we judged from the Fate of our last Petition that the Merchants might probably prevent this from being delivered, the Hoppo having expressed a Disclination to receive any from the Europeans, we resolved not to employ the Linguists upon the occasion, but to present it ourselves at the first Hoppo House.

The supercargoes ordered up the four ships' pinnaces and delivered their petition, with some ceremony, at the first Hoppo House. That same day, after noon,

the Head Linguists came to the Factory for an explanation of our Letter, which was given to them;

and the next day the Hoppo sent a message that he would expedite matters.

In the following October the supercargoes again felt it necessary to protest against the Hoppo's proceedings, and, in company with the supercargoes of the other nations, they decided to attend the Hoppo on board the country ship *Triumph*, on the occasion of his measuring her. They unanimously decided to have their grievances

explained to him by Mr. Galbert a French Gentleman who understands the Mandareen Language perfectly well & this method we prefer to that of giving him a Petition in writing as we cannot depend upon our Merchants & Linguists making a just translation of what we want to represent.

Their grievances were—a proposal to build a guard-house on the quay in front of factories, to prevent free access; an order that their customers and servants must take a Chop from the mandarins; the heavy duties levied on their goods to and from Macao; inaccurate weighing and measuring by the Hoppo's officers; limitation of lighters with exports to three a day for each ship; the inconvenience of a railing, erected in 1781, along the water front of their quay. When these matters were represented on board the *Triumph*,

The Hoppo gave the Gentlemen a very favourable answer saying that upon his return to Canton he would attend to our Requests, and give us all the redress that laid in his power.

He did, in fact, give orders on all these points to the entire satisfaction of the Council; but in the following spring we have the following record:

March 13. Left Canton at 11 O'Clock. Notwithstanding the public Declaration made by the Hoppo in the Month of November last, that in future no Duties should be levied upon any kinds of Provisions or Necessaries for our Table that we might carry with us to and from Macao, We have to our great Surprise and Concern experienced more vexation in Shipping off our Goods this Season than ever we did before. The Hoppo's Officers were engaged Seven Days in examining our Baggage, and exacted the utmost Duties upon the most trifling Articles.

This was probably a final kick given by the Hoppo's officers in resentment at the annoyance occasioned by the supercargoes' direct appeal to their superior. But all other events of the season 1784 were dwarfed by the episode of the *Lady Hughes*.

The country ship *Lady Hughes*, from Bombay, commanded by Captain W. Williams, supercargo Mr. George Smith, was lying at Whampoa on November 24th, when

a Chop Boat [1] which was lying alongside, being unfortunately in the way of one of the Guns while fired in Saluting, received very considerable damage, three Chinese belonging to her were so much hurt that their lives were in danger, & one in particular despaired of; on the following day we were informed that he was dead, & that the Gunner tho' innocent of any criminal intention had from apprehension of the undiscriminating Severity of the Chinese Government absconded.

The consequence of this accident was a visit from the Weyyuen and the Hoppo's principal Secretary, accompanied by all the Merchants to Mr. Pigou, the purport of which was to require that the person who had fired the Gun should be sent up to Canton to be examined. From the conversation which passed on this occasion it did not appear that they considered the offence as Capital, but saw it in its proper light of an unfortunate accident for which however some form of public examination was necessary to satisfy the Laws of the Country; To a request so reasonable no objection could be made provided such examination took place in one of the Factories, the reason for which stipulation was founded on the recollection of the fate of a Frenchman, who under pretence of a similar examination was decoyed out of their Factory & executed the next morning without the form of a Trial, although the Crime was committed on the person of an European, and that in his own defence; [2] and notwithstanding positive assurances that nothing of that kind was to be apprehended in the present instance, it was not judged prudent to give them implicit confidence; more especially as the Gunner himself was supposed to have absconded, & it would be necessary for the satisfaction of Government to substitute another Man in his place, an expedient which, however allowable for the mere form of a Trial, could not be justified were his safety at all doubtful.

It was subsequently ascertained that a second man was dead; and the next day, November 26th, the same officials came again to the factory, accompanied by Puankhequa. They repeated their demand for the production of the gunner, and received the same answer.

They were moreover told as we have frequently endeavored to convince them on former occasions that we possessed no authority over the private Ships of our Nation, & that with respect to the point in question Mr. Geo: Smith Supra Cargo of the *Lady Hughes* was better

[1] Licensed lighter.

[2] In 1780; cf. *antea*, p. 59.

qualified to give them the satisfaction they required than we were, that we could only act as Mediators & if they would give us assurances that they would be satisfied with examing a Man in the Factory & that nothing further should be exacted, we would engage to prevail on Mr. Smith to produce one for that purpose—anything further was not in our power.

It is not to be supposed that there was anything extraordinary in the proposal to substitute another man for the gunner and to produce him for a merely formal examination. Such action was quite customary, and had been taken on previous occasions, when only monetary compensation was in question;[1] but in the case of the *Lady Hughes* a Chinese had lost his life, the gunner implicated had absconded, all the facts were matters of public knowledge, and it was futile to attempt to suppress the affair. Puankhequa informed the supercargoes

That no Mandareen of so inferior a rank as to come to any of our Factories was competent to decide in such cases, that he must positively appear before the Tribunal of the Fouyuen, & that when brought to the Factory the Namhoyen would come accompanied with Soldiers & take him away by force. They were told in reply that the appearance of Armed Men in any of the Factories could not be admitted; It would be very alarming to Europeans & we should not think our persons in safety if such a precedent was once established, & further that if they insisted on this point the affair could not be accommodated, as we could not undertake to place any Man in so dangerous a predicament as we conceived that to be.

The Chinese returned to the factory at 11 that night and gave the supercargoes an assurance that the gunner would be examined in the factory by the Namhoi Hien, accompanied only by his ordinary retinue, without soldiers, and that no force whatever should be used. When the accident occurred Mr. George Smith was up at Canton, and remained there. At the interview of the afternoon of the 26th the officers asked for an assurance, and received it, that he would not leave Canton for three or four days; but

it was not without the utmost surprise that we learnt the next Morning (the 27th of Nov.) that contrary to these assurances and in abuse of the Confidence that Mr. Smith had reposed in them when he agreed to stay in Town at their request, they had decoyed him from his Factory by a pretended messuage from Puankhequa, seized and conveyed him into the City under a guard of Soldiers with drawn Swords.

[1] Cf. *antea*, p. 72, and vol. i, p. 270.

This act filled the supercargoes with alarm. Accustomed as they were, under English law, to the personal responsibility of every individual for his own proved wrongdoing, they yet knew that by Chinese custom and law every subordinate was held responsible for his own subordinates; and they knew further that the Chinese authorities had never admitted the validity of their own waiver of control over those on the country ships.

The circumstances moreover which followed the seizure of Mr. Smith were such as plainly indicated that our personal safety was not altogether free from danger, the Avenues leading to the Quay were barricaded & filled with Soldiers, the Linguists & Merchants were fled & their Hongs deserted by every person who could throw any light on this transaction, & the communication between Canton & Whampoa suspended by order of the Hoppo, & tho' we had hitherto received no positive intimation that their views were directed towards any of this Factory, no one could pretend to say he was safe accustomed as they are to exact Responsibility from whatever person they think proper to charge with it, & past experience clearly shews that the ostensible Representatives of the Nations are the first to recur to on such occasions.

Communication with Whampoa being prohibited, all trade was stopped; and the factories being beset with soldiers, all nations were equally involved, and the persons of their supercargoes endangered. They all, then, French, Dutch, Danish, and American, rallied to the support of the English, and

aware of our danger voluntarily offered their assistance to order up the Boats of the several Ships manned and Armed as a guard to our Persons in case any violence should be intended, as well as to manifest in the strongest manner the very alarming view in which we considered their procedure.

Although communication was nominally cut off, two ships' boats, which happened to be at Canton, were sent down—since 'the present was not thought a time for punctilio'—with written orders for all the ships to 'send up their Pinnaces manned & Armed'. Before these orders were sent, a reassuring message was received from the Fuyuen that Mr. Smith would be sent back in a short time; but

this we conceived as it really proved to be a feint calculated to lull our suspicions, & no more deserving credit than any other assurances they had hitherto given.

The boats on their way up were fired on, two men being slightly wounded, but not a shot was fired in return; they merely pushed their way through the guard-boats obstructing their passage, arriving at the factories in succession between 8 and 11 p.m. During that day, the 27th, the supercargoes were unable to come in touch with any of the merchants; but late in the evening they met a petty mandarin strolling along the quay, and he gave them a copy of the mandate of the Fuyuen, acting Viceroy, addressed to themselves.

Mandate of the Fouyuen Sune of Quantong acting as Tsongtoc of the Provinces of Quantong & Quansi, to the Chief of the English & to the rest of the English;—A Native of this Country having been killed by a Gun fired from the Ship of Captain Williams, whether by accident or design it is necessary that this Man [the man implicated] should appear before me for examination that he may be tried conformably to our Laws: Three days are now elapsed, & you have not sent me this Gunner which denotes on your part a resistance to our Laws; nevertheless Mr. Smith who is detained in the City is very prudent & discreet, he has consented to write to Whampoa to demand this Gunner that he may appear before our Tribunal & I can return Mr. Smith to you as soon as this Gunner shall arrive; I exhort you therefore to remain quiet & conform yourselves to my Mandate, & shew no token of resistance for if you refuse to submit, I the Fouyuen shall range my Troops with Musquets & Artillery even to the Bogue to cut off your retreat from place to place along the course of the River, & will subject you & treat you agreeably to the Laws: Reflect therefore & see what is your force and your ability, if you dare in our Country to disobey & infringe our Laws, consider well that you may not repent when it is too late.

This mandate introduced no new matter and threw no further light on the subject, beyond the assurance it gave that a demand made thus formally and officially would not be withdrawn. On the morning of the 28th the Councils of all the nations met and agreed to send a joint protest to the Governor.

We received a promise from Your Excellency that Mr. Smith should be returned to us immediately after having been interrogated, which not being complied with has occasioned us the most serious alarm for our safety, We therefore ordered up a body of Men from the Ships to guard our Persons. Mr. Smith's being at Canton when the accident happened at Whampoa withdraws from him all suspicion of his being anywise to blame, We therefore request you to detain him no longer, & to remove from us all cause of apprehension.

This was beside the mark. The Governor did not hold Mr. Smith responsible for the occurrence, but only for producing the gunner who was personally responsible; and he held the Chief of the English Company's Council responsible for Mr. Smith's compliance. He even went farther: in the evening he summoned one representative of each of the other nations to appear before him—

> he expressed great surprise at their taking so active a part with us on this occasion, said he meant them no injury, that it was the English alone he had any concern with, & endeavoured to prevail on them to desert us. They said they had joined with us because they conceived the situation of all Europeans here to be precisely the same, that what happened to one Nation might happen to all, a general alarm had taken place, & that they had sent for their Boats to protect us, & if need were to convey us to our Ships. . . . With regard to the Boats he said he passed over that, it was wrong nevertheless to shew such want of confidence in their justice; and recurring to the principal point said get me the Man & the business is at an end.

Concurrently with this Mr. Smith had been induced to write to Captain Williams to send up the gunner,

> in order to answer the Querries of the Mandareens at the English Factory. I must likewise desire you not to go off with the Ship at your Peril, till something definite is settled in this misfortunate accident.

The linguist who took this letter down found his courage oozing from him when he came in sight of the *Lady Hughes*, and returned to Canton with his mission unaccomplished; whereupon, on the 29th, Mr. Pigou sent, by the hands of Captain Mackintosh of the *Contractor*, a letter signed by the Council:

> You are hereby ordered to repair on board the *Lady Hughes* & acquaint the Commander of her that the Chinese Government have formally demanded of us the Person who fired the Gun which occasioned the death of a Man a few Days ago that he may be tried at the Tribunal of Justice for the said offence, and that we expect that Capt. Williams will immediately comply with their requisition as the safety of all the English at this place may be endangered by a refusal. In case Capt. Williams should attempt to sail without agreeing to the demands of the Chinese Government you are to prevent him by such methods as you judge proper.

The next day, the 30th, a conference was held at the 'Cohong Factory' between a military officer and junior members of the

English Council (Mr. Pigou being justifiably apprehensive lest he might be seized if he left the protection of his own factory), when an intimation was given that if the man was not produced within two days

we should no longer be supplied with Provisions, our trade should be stop'd, and our Ships not be suffered to return to our Country;

and later, on a proposal to send down boats to search all the ships, the officer expressly stipulated that Mr. Pigou should not leave the place. The Council then repeated their former orders given to Captain Mackintosh, but that evening, November 30th, he came to Canton bringing 'the unfortunate Gunner' with him, together with an affecting letter from Captain Williams:

I now send this Chit by the poor Gunner, I hope you will leave a maintenance if he is detained; pray Dear Smith take care of the old Man, you had better leave something with Munqua for the old Man's maintenance, I hope the Chinese will not do harm to the poor old Man as it was only a misfortune.

The Council addressed to the Governor a similar plea for clemency to go with the gunner when he was

conducted to the Pagoda [Buddhist temple] where the Mandareens usually assemble on European business, where he was received by one of superior rank, who desired the Gentlemen present not to be uneasy respecting his fate, that nothing should be done till the Emperors pleasure shall be known, & care would be taken to represent his case in the most favourable light, & he had no doubt that in about 60 days he would be sent back again. In about an Hour after Mr. Smith arrived at the Factory & gave a very satisfactory account of the Treatment he met with & the Civilities received from the several Mandareens most of whom visited him & sent him presents.

This ended the first stage of the affair, in which the Council were chiefly concerned with their status and their own safety, or rather that of their Chief.

From the circumstances following the seizure of Mr. Smith: from the frequent mention of Mr. Pigou's name in the several conferences with the Mandareens: the express stipulation that he should not leave Canton: & the concurring testimony of every Chinese deserving of credit whom we have conversed with, since the termination of the affair: there does not remain a doubt that their determined resolution, in the beginning, was to seize the Person of the Chief; if they found that of Mr. Smith ineffectual. As repeated experience shews the utter

Impossibility of avoiding the Inconveniences to which we are constantly subject from the imprudence, or wilful misconduct of Private Traders & the accidents which may happen on board their Ships, it were to be wished that the powers if any which we really possess over them were clearly & explicitly defined, or if no Law or construction of Law now existing allow of such powers, how far the Absolute Commands of the Government under whose jurisdiction we are, will justify our compliance, & how far in such case the Commanders & Officers of the Honble Company's Ships are bound to obey our orders; at present equally destitute of power to resist the unjust Commands of Government & to carry them into effect we know of no alternative but retiring to our Ships for Protection.

The embargo on trade was removed on December 6th, after having been in force for nine days; and the *Lady Hughes* sailed for Bombay on the 7th, leaving the gunner in the custody of the Chinese authorities. On January 8th, 1785, two representatives of each nation, with all the Hong Merchants, were summoned to the presence of the Anchasze (Provincial Judge)

in company with the Mandareens who had received us at the Conghong on the Day the Gunner was brought to Canton. The Anchatsi began by observing how gracious the Emperor was to allow us to trade here & that we ought always to bear in mind his bounties. That he was now greatly displeased because we had delayed for five Days to deliver up the Gunner who had killed his subjects. He then told us that whatever the Emperor's decision might be, we must, when it was known, submit to it with respect, & that the Government had been extremely moderate in demanding one for the lives of two of its subjects, who had been lost by this accident. We were dismissed, & understood by what had been said to us that the Emperor's will respecting the Gunner was not yet known, though we were afterwards informed that this unhappy Man had been Strangled at about the time we were receiving the above recited admonition.

This ending to the affair filled the supercargoes with dismay, and in writing to the Court they express their apprehension for the future:

We feel our situation to be such that if any accidental death happen in future, we think we shall not be able to extricate ourselves from a state of Personal danger, without doing that which must for ever disgrace us, or abandoning this important commerce.

They then recited in detail the case of the Frenchman[1] in 1780,

[1] Cf. *antea*, p. 59.

and gave it as their opinion that the Chinese believed the man from the *Lady Hughes* to be a substitute, the real man, as was reported, having absconded; but that,

allowing him to be the real Gunner, they agreed with us that he was innocent of any ill intention; & the whole to be an accident; yet this Man too, tho' innocent, they have executed. We think it fair, therefore, to consider these facts as proofs that the Government exercise over us the same absolute and Tyrannical power as towards its own subjects—that in the case of death a man must be given up to them—that it does not admit of a culprit's having escaped, for in that case a substitute must suffer; or if he be refused the Supra Cargo of the Ship or Chief of the Nation must answer for his crime; & to complete the rigor of this Law, it does not allow of Manslaughter and Life only can atone, for what in Europe is thought rather a Man's misfortune, than his crime. This appears so reasonable to the Chinese that we believe no Magistrate can ever recede from it: when we thought the Gunner was really escaped in the *Neckar*, & informed the Mandareens of our suspicion; they answered that if it was so, Mr. Smith was in their power; but advised us as we seemed much interested about that Gentleman, to substitute a Servant or some person of less consequence in his place: laying great stress always upon their moderation in so doing; & in not exacting two Men for the same number who had died by this accident.

This is a fair statement of the criminal law of China as it was applied in practice,[1] and the Council wrote in straightforward terms to the Court:

As a compliance conformable to these notions seems to us so contrary to what Europeans deem humanity or justice; & if we voluntarily submitted to it, must appear to all, that we gave up every moral & manly principle to our Interest—We trust the Honble Court will approve that we avoid it by every means in our power; should it even hazard their Trade. We know therefore of no alternative but that whenever we shall find ourselves so situated as not to be able to satisfy the Chinese without giving up to execution an innocent person, to retire if possible, to our Ships, where only we can consider ourselves secure from compulsion. . . . The indignities we personally suffer; the vexations and impediments in our business; we have been taught by gradual encroachment to bear:—but if the Trade be once lost; & the necessities of England oblige her to regain it; we apprehend it can be done only by a submission that must be disgraceful; or by the use of force, which however successful, must be productive of very serious calamities.

[1] For a fuller exposition of the law, cf. Morse, *The International Relations of the Chinese Empire*, vol. i, chap. v, §§ 33–42.

Mr. Pigou and his colleagues on the Council then outlined a project of extraterritorial jurisdiction which, sixty years later, was adopted by Sir Henry Pottinger in the supplementary treaty of the Bogue, and, a year after that, by Mr. Caleb Cushing and M. de Lagrené in their treaties; in 1784 it was premature, although

the Foreign Nations, we understand, have made similar representations to their Superiors. They have considered this from the beginning a common cause—and feel with us how exposed the situation of all Europeans is at this Port.

The first immediate result was that, with the first arrivals of the ships of the next season, the Councils of each nation resolved to prohibit the firing of salutes by their ships at Whampoa. The secondary result was that never again did the English surrender an accused person from their ships to the unsupervised jurisdiction of the Chinese authorities. A further result was the dispatch of Lt.-Col. Cathcart in 1788 on a special embassy to the Court of Peking.[1]

During the season in which the *Lady Hughes* case occurred, there were two other incidents illustrating, one the judicial methods of the Chinese authorities, the other the weakness of the control over the English country ships.

About the month of Sept. four Missionaries were discovered by the Mandareens to be in the neighbouring provinces, whither they had found the means to penetrate, by the assistance of a Chinese Christian, well known to the Europeans here: This Man being pursued by Officers of Justice escaped; but the Chinese pretended to have traced him to a Convent in Macao; and demanded him of the Portuguese; who denied his being there, or that they knew anything concerning him. As this did not satisfy the Chinese, it has been a subject of dispute ever since; and is now [February] become very serious. The Government threaten to force them to compliance, & the Portuguese seem disposed to make what resistance they can. The Court of Pekin is much displeased that there should be hesitation to any demand of the Government. The Mandareens, under whose jurisdiction this has happened, have been disgraced: and the Hong Merchants have been fined 120,000 Tales; because, having intercourse with the Europeans, they should have known and prevented it—and however unreasonable it may appear this sum must be levied on the Trade.

In the other case the Council took, against a country ship,

[1] Cf. *postea*, chap. xliii.

strong action which was not authorized by law or by any instructions from the Court of Directors. The *Bellona*, Captain Richardson, arrived from Bengal,

with very little cargo except Opium ; upon which account no Merchant chose to be his Security ; but after much hesitation on the part of each individual, they agreed to secure him in a Body. When Capt. Richardson was about to go away they applied to him for the payment of the Measurement, which he refused ; and was preparing to leave Canton, when the Hoppo stopt him ; & sent the Merchants to us to complain of his pretending to go away without the payment of Port Charges. We then sent for this Gentleman, & endeavoured to persuade him that it was very unfair towards the Chinese & discreditable to his own Countrymen, that he should fly the Port without the payment of a charge, all others complied with : He seemed quite insensible to what was said, & answered in a very unreasonable & disrespectful manner, & among other things told us that he had sent an order to his Officer to go away with the Ship & leave him. . . . Two days after he took an opportunity to leave Canton clandestinely [January 2nd] & with every appearance that he meant to escape without the Chop & without the payment of Port Charges ; upon which, tho' late at Night, we sent an order to the Commanders of our Ships at the Second Bar that, if the *Bellona* was seen going out of the River, they were to stop her.

With the knowledge that his ship would be stopped, Captain Richardson paid his dues and waited for his Grand Chop.

Soon after the arrival of the first ships of the season 1785, an English sailor was killed in an affray on Dane's Island, which since 1756 had been the only place in which the English at Whampoa could ' divert themselves '.[1] On Sunday, July 17th,

as some English Seamen were diverting themselves on Danes Island, they were attacked by the Chinese, and a Fray ensued in which a Sailor belonging to the *Earl of Chesterfield* was so cruelly beaten and wounded by them that he died the next Morning. We were further informed that the Mandarines took Cognizance of the Affair directly and had confined several Persons upon suspicion of their being guilty of the Murder.

By Chinese law this death as the result of an affray must have been compensated for by the execution by strangulation of at least one person implicated in the affray ; and the Council required the Hong Merchants to

solicit the Mandarins to use their best Endeavors to find out the Offender and bring him to punishment.

[1] Cf. *antea*, p. 37.

After the lapse of two months they again took the matter up; and inquiring of Puankhequa what had been done,

he told us the Man was in Prison, and they waited the Emperor's decision respecting his Fate. We requested him that as opportunities offered, he would acquaint the Mandareens we expected a capital Punishment would be inflicted on the Offender agreeable to the Laws of the Country.

At the end of another delay of one and a half months, justice was finally executed.

Nov. 5. We were informed by Chowqua who is Security for the *Earl of Chesterfield* that the Hoppo told him, the Chinese who murdered a Seaman belonging to that Ship was strangled two days ago. We have no reason to discredit this Intelligence, as we have heard the same report from several other People.

XL

THE COMMUTATION ACT, 1785

The Council of 1784 carried over into 1785, with Mr. W. H. Pigou as Chief. At the end of the season he went home invalided, and was succeeded as Chief by Mr. Henry Browne, until then Third of Council.

The books for the season were opened on February 8th, with a debit balance :

		Tls.	Tls.
Credit :	Silver in the treasury . .	980	
	Bohea tea, 20,459 piculs . .	297,267	
			298,247
Debit :	Owing to Chinese merchants .	452,865	
	,, on Factory expenses .	429	
	,, on Interest Bonds .	67,719	
			521,013
	Excess of Liabilities		222,766

Of the debts Tls. 124,756 was due to Shy Kinqua, of whose help the Council wrote to the Court in the highest terms. We again have particulars of the weight of chests of each class of tea :

Black	Bohea,	net 265	catties	(353 lb.)	value Tls.	14·00 @ 15·00	℔	picul.
	Congo,	,, 66⅔	,,	(87½ lb.)	,, ,,	17·50 @ 18·00	℔	,,
	Souchong,	,, 46¼	,,	(61⅔ lb.)	,, ,,	20·00 @ 24·00	℔	,,
Green	Singlo,	,, 58⅔	,,	(78 lb.)	,, ,,	14.00 @ 23·00	℔	,,
	Twankay,	,, 58⅔	,,	(78 lb.)	,, ,,	16·00 @ 25·00	℔	,,
	Hyson,	,, 50	,,	(66⅔ lb.)	,, ,,	36·00	℔	,,

Silk was again at a high price, and Shy Kinqua, with whom they contracted, held out for a long time for last season's price, Tls. 310 a picul for six-moss best Nanking,

pleading in excuse for the high Rate, that the Merchants had levied a new Imposition of 10 Tales, upon the Export for the purpose of augmenting the Funds appropriated towards the payment of presents given to the Mandareens.

Finally he consented to take Tls. 290, on condition that

we would let him have one Eighth of all the Woollens that may arrive in the course of the Season of 1785 at the same rates that were paid

this, and a preference in the purchase of the Bombay cargoes consigned to us, at market Prices ; he also requested as a favor that we would contract with him for 3,000 Peculs of Bohea at 14 Tales.

At the same time he sold them for prompt delivery 44 bales of silk at Tls. 320 ; and at the end of the season the French paid Tls. 340.

The Company's stock of goods laden on 19 ships realized Tls. 577,368 for woollens, Tls. 84,479 for lead, and Tls. 25,432 for cotton and pepper. There were received into the treasury 2,002,140 dollars against bills at London at 5*s.* 6*d.* and 365 days, and 223,784 dollars against certificates to ship's officers, a total of Tls. 1,602,665. The ships again carried out no silver dollars, although the resumption of peace should have reopened the Spanish market to the Court. The investment carried home by the 19 ships was invoiced at Tls. 2,965,000. The factory charges for the year amounted to Tls. 41,128. The value of tea returned as 'rubbish' was Tls. 11,080.

The essential features of the trade of Canton during the season 1785 were as follows :

		Ships.	*Cotton imp'd.*	*Tea exp'd.*	*Raw Silk.*
		No.	Piculs.	Piculs.	Piculs.
English	Company	19	17,389	103,834	525
	Country	9	28,690	5,113	298
French		1	..	3,500	423
Dutch		4	..	33,441	275
Swedish		4	..	46,593	281
Danish		3	632	34,336	51
Prussian		1	983	5,213	..
Spanish		4	798	..	452
		45	48,492	232,030	2,305

The supercargoes were much disturbed by an embargo laid on shipments by all ships from December 11th to 27th ; and consulting with the other foreign Councils, they could find no reason for it, and could only

conjecture that, owing to the increase of Shipping this Year at the Port, the Duties would amount to a sum more considerable than had ever been paid to the Emperor, if the permission to export Goods was extended to the usual Term allowed for closing the Annual Account, which is the 1st Day of the 12th Moon, equivalant this Year to the 27th December, and that in consequence the Merchants were alarmed, lest upon a diminution in the Receipt of Duties another Season when

there might be fewer Ships, they should be compelled to pay as much Money as they had done this.

This conjecture was recorded on the 17th, and seems to be confirmed by the fact that the embargo was removed on the 27th, also without reason assigned.

Possibly as a legacy from the long maritime war, possibly in consequence of the greatly increased number of large ships coming to Canton, there had been many riots and great laxity of control among the sailors at Whampoa; and on December 18th the Council wrote to the commanders of the ships then in port:

Many Irregularities and Riots having been lately committed at Whampoa and Canton by the English Seamen, among whom there at present appears a turbulent and uncontrolable disposition, We are apprehensive that without stricter Discipline being observed in the Fleet, Much danger may befal our Trade from their Proceedings, We therefore think it absolutely necessary for the good of the Service to demand your implicit compliance with all the Orders given to you by us upon your Arrival, tending to promote proper behaviour in your Seamen at this Port.

In no long time the war spirit manifested itself, in connexion with the French ship *Dauphin*, the first to visit Canton since the outbreak of the war, English sailors landing on January 9th on French Island, contrary to standing orders,[1] and conducting themselves so outrageously as to elicit

a Complaint made by Monsieur Viellard the French Vice Consul of the riotous Behaviour of the English Seamen, some of whom to the number of Two hundred and more from different Ships landed at their Banksall, and beat the Second Officer in so cruel a manner that his Life was thought to be in danger. . . . It likewise appears that the timely Interposition of the Officers from the several [English] Ships prevented their attacking the Mandarin and People of the Chinese Guard Boat, who were drawn up armed, under an appearance of keeping the Peace, in which case should an Accident happen, we might have been brought into difficulties [from which] we could not easily have extricated ourselves.

In a few days the French Vice-Consul was able to report that the injured man was on his way to recovery and, as both he and the English Council were anxious to avoid complications, the matter was arranged; but the Chinese officials kept close

[1] Cf. *antea*, p. 37.

watch on the case, and before they would consent to drop it, they required from each a written declaration that both parties were satisfied.

Owing to the financial straits in which the maritime war had placed the Company, the Court, in their instructions for 1785, had proposed to reduce the amount of commission paid to the supercargoes. From their remonstrances it may be gathered that the commission paid to the whole Council had remained up to this year at 5 per cent., calculated on the proceeds of the sale in London, and was now reduced to 4 per cent.; that this was divided between the supercargoes in proportion to their length of service; that the share of a senior supercargo of ten years' service amounted to £4,000 a year, based on the investments of years prior to 1785, which was the highest yet recorded; and that recently not much more than a fourth of what was due had actually been paid. The supercargoes had serious grounds of complaint.

As we have participated in the distress of the Company, we thought ourselves not unreasonable in expecting to be benefited by the favourable change in a Trade under our management. The net emolument of some among us of ten Years standing cannot exceed £4,000 of which not a fourth part has been paid. . . . We beg leave to remark that the present Commission labours under peculiar disadvantages. Our Number [thirteen in 1785] is greater than heretofore and of course the proportion of each is smaller. During the War likewise the Charges on the Commission for Freight and Demurrage &ca amounted to at least double of that to which it had before been liable; and added to this we were subjected in prudence to a further Charge of 30 ℔ Cent often for Insurance. . . . It is hard that after our Numbers have been augmented, after we have lost half our emoluments during the War, that when our trust and labour is increased, and when we rather expected a compensation for former losses, we are cut off a fifth of our emoluments.

The supercargoes opened the season with a debit balance of Tls. 222,766; they received from proceeds of sale of imports and against bills and certificates, Tls. 2,289,944, giving a net stock of Tls. 2,067,178. The investment for the season amounted to Tls. 2,965,000, leaving the Council indebted to the Chinese merchants for about Tls. 900,000. This exemplified the degree of 'trust' and responsibility imposed on the supercargoes in

the same year in which the Court saw fit to reduce their emoluments. But besides pledging the credit of the Company to this extent, and persuading the Chinese to agree to wait for their money until the arrival of the ships of the season, they had also to induce them to make the usual winter contracts without the advances which were now customary. In this also they were successful. Of Bohea they then had enough packed; but at the end of February they contracted, for delivery in from 260 to 320 days, for 46,000 chests of the finer sorts, without advances. Puankhequa was the only merchant who refused to 'come into our terms'.

The principal feature of the season 1785 was that it was the first entire year after the passing of the Commutation Act, by which the East India Company and the Treasury adopted the bold expedient of lowering the duties on tea, in order to counter the extensive smuggling from the Continent. Once before the duties had been lowered, in 1773, in favour of the American Colonies, in the hope of persuading them to take the legitimate teas of the English Company instead of the contraband teas from French and Dutch ports; but now the reduction was gener al andwas for the benefit of the people of Great Britain, and, to some extent, of Ireland. The history of the taxation on tea is involved, and by 1784 the taxes had become very complicated.

The first tax levied on tea in England took the form of an excise duty on the infusion sold for drinking in the coffee-houses. By an Act of 12 Charles II (1660) the amount was 16 pence per gallon, increased by an Act of 22 Charles II (1670) to 2*s*. This tax was found to be unproductive, and by an Act of 1 William & Mary (1689) a Customs duty of 5*s*. a pound on the leaf imported was substituted, two-thirds being returned by drawback on re-exportation. From this date the history of the tax is as follows:

1692. Customs duty 1*s*. a pound plus a subsidy of 5 per cent. *ad valorem*.

1695. Imported from China, Customs 1*s*. plus 5 per cent.
Imported from Holland, Customs 2*s*. 6*d*. plus 5 per cent.
Drawback two-thirds.

1698. A further subsidy of 5 per cent.; drawback the whole addition.

1703. The Customs duty was doubled and an additional 5 per cent. added; drawback the whole addition.

1711. The Customs duty was doubled, making it 4*s.* from China and 10*s.* from Holland; the *ad valorem* additions were unaltered at 20 per cent., but with discounts they amounted only to £13 18*s.* 7½*d.* per cent. for early cash payments.

1720. The permission to import tea from Holland, by licence, was repealed.

1723. The Customs duty of 4*s.* a pound was repealed and converted into an inland or Excise duty; the subsidies remained unaltered as Customs duty; drawback all the subsidies except half of the 'old subsidy', i. e. 17½ out of 20 per cent.

1745. The Excise duty of 4*s.* was repealed, and in its place was imposed an inland duty of 1*s.* a pound plus 25 per cent. on the gross amount of the sales. All drawbacks were abolished.

1747. An additional subsidy was imposed of 5 per cent. on gross sale value; excise remained at 1*s.* plus 25 per cent. On exports to Ireland and America drawback of Excise duty of 1745.

1759. An additional subsidy of 5 per cent. on gross sale value, making the net Customs duty £23 18*s.* 7½*d.* per cent.

1767. Excise duty of 1*s.* a pound taken off Singlo tea and all black teas. Drawback of all the Customs duty for five years on teas exported to Ireland and America; but a duty of 3*d.* a pound imposed on teas imported into ports in America.

1772. Excise duty of 1*s.* a pound on all tea restored. Drawback of three-fifths of Customs duty on exports to Ireland and America.

1773. Drawback of the whole of the Customs duty on exports to America.

1777. Drawback of the whole of the Customs duty on exports to Ireland.

1778. Duty of 3*d.* a pound on teas imported into ports in America was repealed.

1779. A surtax of 5 per cent. on the net produce of Customs and Excise was imposed.

1781. All discounts and allowances were abolished, except one of 12½ per cent.; an additional surtax of 5 per cent. laid on the Excise.

1782. A further surtax of 5 per cent. was laid on all Customs and Excise duties except the recent surtaxes of 1779 and 1781.

1784. At this date the duties payable on tea were net as follows:

Customs: a net sum of £27 0*s.* 10*d.* per cent. on the gross amount realized at the Company's sales.

Excise: a net sum of £28 15*s.* per cent. on the gross sales plus 1*s.* $1\frac{80}{100}$*d.* a pound weight.

Drawback: exports to Ireland and America (not the U.S.A.) £27 0*s.* 10*d.* per cent.; exports elsewhere nothing.

Assuming that an average price of 20 taels a picul was paid in Canton for tea, and that the price realized at the sales in London was twice the invoice cost (which was the proportion given for later years), then on the consumption in England at an average value of 2*s.* 3½*d.* a pound the duty payable amounted to 2*s.* $5\frac{14}{100}$*d.* a pound, or 106 per cent. On the basis of Bohea at 14 taels and Hyson at 50 taels (the cost at Canton in 1785) the duty on tea consumed in England ranged between the following extremes:

Bohea at 19·25 pence value, paid 24·54 pence, or 127·5 per cent.
Hyson at 68·75 ,, ,, ,, 52·16 ,, ,, 75·9 ,, ,,

While the wholesale buyer at the Company's sales in London must pay 44 pence a pound for Bohea, and 121 pence for Hyson, the smuggler, French, Dutch, Danish, or Swedish, could let his customers have them for 19 and 69 pence respectively, plus such percentage as might compensate him for his risk; and to eliminate, or diminish, this competition the 'Commutation Act' was passed and approved August —, 1784 (24 George III, c. 38), by which from August 1, 1785, all the existing duties, imposts, subsidies, and surtaxes were repealed, and in their place was substituted a simple duty of 12½ per cent. on the gross amount realized at the Company's sales, to be paid to the Company on behalf of the Exchequer at the time that the purchase money was paid. Drawback of the whole on exportation to Ireland or

(the British Colonies in) America; the privilege of drawback was in 1789 extended to Jersey, Guernsey, Gibraltar, and any port in Europe at which a British Consul was stationed. The effect was marked, as gauged by a comparison of the quantities exported from Canton in the five years 1776–80 and the five years 1786–90:

	1776–80. Piculs.	*1786–90.* Piculs.
English Company . . .	210,207	774,075
French, Dutch, Danes, Swedes	488,372	322,386
Americans	..	52,184
Total	698,579	1,148,645

The low rate of duty imposed by the Commutation Act remained in force until the expenses of war drove the Exchequer to seek new sources of revenue.

1785. The tax of 12½ per cent. was divided, Customs 5 per cent., Excise 7½ per cent.; drawback for the whole.

1795. The Excise was doubled, making the two taxes 20 per cent.

1797. An additional Excise of 10 per cent. was imposed on teas sold at the Company's sales at 2*s.* 6*d.* and over; drawback for the whole to Ireland and British America only, but later in the year the same grant was made for exports to the United States of America.

1798. An additional Excise of 5 per cent. on the superior teas.

1800. An additional Excise of 5 per cent. on the superior teas; making the total tax 20 and 40 per cent.

1802. The total tax was 50 per cent.

1806. The total tax was 96 per cent. on all teas.

1819. An additional tax of 4 per cent. (making 100 per cent.) on teas sold at the Company's sales at 2*s.* and over.

XLI

THE SELECT COMMITTEE, 1786

THE season 1786 opened under the charge of the remaining ten members of the Council, with Mr. Henry Browne as Chief; but from August 27th, on the arrival of the packets by the ships of the season, the control was vested in a Select Committee of the six senior supercargoes, with Mr. Browne as President. The accounts were opened on February 28th with a debit balance:

		Tls.	Tls.
Credit:	Silver in treasury	135,703	
	Tea in stock, 28,840 piculs	397,466	
			533,169
Debit:	Owing to Chinese merchants	1,271,284	
	,, on Interest Bonds	56,065	
	,, for factory charges	10,127	
			1,337,476
	Debit Balance		804,307

The Chinese creditors were 20 in number, the principal being:

	Tls.
Puankhequa	270,702
Shy Kinqua	184,901
Chowqua	191,652
Geowqua	176,767
Pinqua	122,727
Howqua	72,514

In the interval to the arrival of the ships in August, Tls. 6,947 were received against interest bonds, at 10 per cent. per annum; and Tls. 126,202 were paid to creditors.

Twenty-nine ships arrived for the Company, 28 direct from London; one from Bombay, loaded also for London, the ship *Admiral Sir Edward Hughes*, was owned by the Company and not chartered, the second to be so owned since the early years of the century, the first having been the *Britannia* in 1785. The cargoes on Company's account realized Tls. 742,152 for woollens, Tls. 135,433 for lead, and Tls. 98,433 for Indian produce. Access to the Spanish market being now open, the ships brought silver dollars to the amount of 2,497,408 ounces =

2,864,000 dollars = 2,062,080 taels. Against bills and certificates the sum of Tls. 1,684,344 was received into the Treasury. On the basis of the figures for 1785 the investment for 1786 probably amounted to Tls. 4,500,000; and at the close of the season the sum of Tls. 1,352,272 was due as a debt to the Chinese merchants. The factory expenses for the season amounted to Tls. 46,230, as follows:

	Tls.
Provisions	15,589
House rent, repairs and furniture .	8,311
Charges of merchandise	8,724
Charges extraordinary . . .	13,606

The principal features of the trade of the season were as follows:

	Ships. No.	*Silver.* Chests.	*Cotton imp'd.* Piculs.	*Tea exp'd.* Piculs.	*Raw Silk.* Piculs.	*Nankeens.* Pieces.
English { Company	29	716	28,120	157,116	2,889	40,000
English { Country	24	..	65,130	175	189	2,000
American . .	5	..	..	8,864	..	33,920
Dutch . . .	5	137	..	44,774	365	98,200
Danish . .	2	59	322	15,190	6	78,000
Swedish . .	1	..	..	13,110	..	10,900
French . .	1	..	..	2,867	71	72,000
Spanish . .	3	..	..	..	45	37,000
	70	912	93,572	242,096	3,565	372,020

The Spanish ships traded between Canton and Manila. Of the American ships one was the *Empress of China*, one was the sloop *Experiment*, 80 tons, the last carrying away only chinaware 78 piculs, tea 347 piculs, and nankeens 7,650 pieces; the five brought 340 piculs of ginseng.

The Danish ships are recorded as having brought 59 chests of silver dollars; and the Dutch 137 chests besides 23,000 piculs of tin; if, in addition to the 716 chests by the English Company's ships, we allow only 100 chests for the other flags, we have over four million dollars introduced in specie in this year. With so large an investment the requirements of the supercargoes were not covered by their resources, and they looked in all directions for means which they could suggest to the Court for filling their treasury.

The direct importations from England continued in ever-

increasing proportions. Lead, which was formerly 'as good as money', was this year overdone, and the supercargoes were driven to reduce the season's price from Tls. 4·00 to Tls. 3·80. For woollens a regular market had been created, and largely increased quantities were imported at the standard prices, which did not vary from year to year; but they could not compete with the Chinese silks, and an experimental lot of tabinets failed to find a market:

the prices they say are too high and that they would inevitably lose by them, besides they have a Silky Stuff of their own Manufacture which much resembles it and comes much cheaper, & of course is preferred.

Manchester tries the market this year for the first time, with its cottage weaving by hand-loom:

The Patterns of Norwich, Manchester & Hallifax Stuffs have been shewn to the Merchants, but it is not their opinion that any of them will answer for this Market; the Cotton Stuffs are too expensive, & the Chinese manufacture a variety of different kinds which tho' not so elegant are better adapted to their modes of dress.

In the stock sent from London realizing Tls. 2,939,590, goods had now risen to 30 per cent., and silver constituted only 70 per cent.; but the total only provided 65 per cent. of the sum required for the investment of the season; and the record gives an interesting statement of the way in which the supercargoes calculated their resources at an early date in the season, when the final figures, and even the number of ships to be consigned to them, could not be accurately known. This statement was considered at a consultation on October 17th, held for the purpose of settling the rate of exchange for the season.

Dr. Cargoes for 30 Ships [22 ships had then arrived] at Tls.	Tls.
150,000 ℔ Ship	4,500,000
Port Charges at Tls. 3,600	108,000
Other Charges as usual about	40,000
Arrears of former Season	804,300
Charter party Allowance to 30 ships [£200 a month] at an average of 4½ months ℔ Ship	77,600
Bond Debt with Interest	51,597
St. Helena Stores	4,000
	5,585,497
Or Dollars	7,757,634

To answer which we have the following sums, which may not be deemed certain as depending only on the arrival of the ships :

		Dollars.
Cr.	Exports from Europe about	1,320,000
	Silver Do.	3,106,000
	Bengal supplies which include those from Bombay, Rs. 1,300,000 [of which one-tenth arrived]	544,000
	Agreement at Bombay with Captains Gray & Rees to pay into the Treasury for Bills Rs. 200,000 each	181,000
	Agreement at Madras with sundry Individuals to pay in for Bills the amount of Cotton & Redwood, about	200,000
	Pepper from Bencoolen	50,000
	Amount of a Bill of Exchange from Bengal	31,716
	Amount of certain Funds	5,432,716

Supplies depending in great measure on the rate of exchange are as follows :

Amount of Country Ship Cargoes not appropriated by prior Agreement after allowing for return Cargoes	1,400,000
Private Silver by the Madras Ships judging from what is already arrived	300,000
Privilege of Commanders not more than 5,000 Dollars ⅌ Ship on an average.	150,000
To which may be added an Allowance for Sundry Goods in private Trade on board the Hon'ble Company's Ships not included in any of the above Articles	150,000
Total Amount of Probable Supplies	7,432,716
Sum necessary for the Current Year	7,757,634
Deficiency	324,918

On the basis of this calculation, though the supercargoes had desired to reduce the rate of exchange of the season, they were forced to the decision that they must continue it at 5*s.* 6*d.* per Spanish dollar for bills on London at 365 days after sight.

The supercargoes were disappointed in their estimate of some of their ' certain funds ' : English goods realized less by 100,000 dollars, silver in the ships less by 240,000 dollars, government supplies from India less by over 400,000 dollars.

They were helped out by a new source of supply, two of the Chinese merchants asking to be paid in bills on Calcutta to the amount of nearly 400,000 rupees. About Tls. 350,000 were received as purchase money for opium sold in Calcutta.

The Government of Bengal has this year made an effort to assist us with 22 Lacs of Rupees of which they remitted 10,51,223 in the mode we recommended of delivering Opium at Calcutta to be paid for at Canton.

Of the remaining 11½ lakhs of rupees, they received Tls. 40,000 in cotton shipped from Bombay, and 220,000 rupees for copper and saltpetre shipped from Calcutta to Bombay, and sold there

on condition of paying the amount into the Treasury here. . . . The remainder of the 22 lacs they have never been able to send, chiefly we suppose from the difficulty of finding Modes of remittance without exporting the Currency of the Country.

It was an object with the Indian administration to retain the currency within the Indian dominion, but Spanish dollars were a commodity, not currency, and their export was never prohibited.

Some very considerable sums have this year been sent round from Madras in Dollars which had been brought to the Coast by the Spaniards, this circumstance leads to hope that the Government of Bengal may be enabled by this means to supply us with Treasure without draining the Country of its Specie.

The supercargoes on this recommended that special trading facilities be accorded to the 'New Spanish Company', in order to turn the stream of Spanish dollars into the English Company's treasuries. This suggestion was made in a report to the Court dated December 8th, and in less than a month, on January 3rd, 1787, the desired opportunity seemed to have presented itself. On that date Mr. David Lance and Mr. Wm. Fitzhugh, supercargoes below the Select Committee, wrote to that Committee:

From the recommendations the Directors of the New Spanish Company have had to our House from England, those Gentlemen have sent us proposals to supply them annually with what their Company may want of India Piece Goods, to a very considerable amount. . . . We therefore submit it to your consideration if it might not be expedient to send an Agent to Manilla for that purpose. Should either of us be thought a proper person for this Commission we think it our Duty to offer you our services and shall esteem ourselves happy if our Mercantile connections prove of advantage to our Employers.

The Spanish trade was conducted across the Pacific. The larger ships occasionally came from Manila to Macao, and some local sloops were engaged in the same traffic; apart from this, Chinese products were obtained from Chinese merchants, trading from Amoy to Manila; the goods then were carried from Manila to Acapulco, and thence to Spain across the Isthmus of Panama

or round Cape Horn. Now, however, it would appear that the New Spanish Company was sending its own ships to Canton, and was also desirous of obtaining Indian products through the intermediary of the English Company's supercargoes. The opportunity seemed good, but the Select Committee at Canton did not feel authorized to embark in the enterprise without the sanction of the Governor-General at Calcutta. Mr. Fitzhugh was, however, commissioned to go to Manila and make a contract for the purchase of Indian products as agent for the Spanish Company, the purchase money to be paid into the Treasury at Canton; and this contract was then to be submitted to the confirmation of the Governor-General.

The Select Committee by this time could see clearly that their resources in hand would not suffice for the investment of the season; and, in addition, they therefore commissioned Mr. Fitzhugh to borrow from Spanish sources at Manila a sum not exceeding one million dollars, at 10 per cent. per annum interest, for a term not exceeding twelve months and not less than six months, but, in any case, repayment not to be claimed before the arrival of the ships of the next season.

Mr. Fitzhugh accordingly went to Manila by one of the Spanish ships, and on March 17th a letter was received from him dated February 12th,

> by which we have the Mortification to find that notwithstanding the well founded reasons he had to hope for success in his object, he had failed in every part of it. The Directors of the Company who are the ostensible Managers, & on the strength of whose offers he had undertaken the Voyage, received him in a manner suitable to the professions they had made & readily agreed to his proposals to contract for Piece Goods to the amount of One Million of Dollars for the present Year & Two Millions for the Year following but in a Council for supervising their Affairs, consisting of the Governor, Intendent, a Representative of the Merchants of Manilla, & themselves, a question had been started whether the Directors were authorized to make any agreements without the participation of the said Council which was carried against them; his proposals were then referred to the Council who finding themselves incompetent to judge of the Business referred it to the Merchants of the place, by whom they were pronounced disadvantageous to the Company. . . . Mr. Fitzhugh informs us that conformably to our orders he proposed to the Directors to send a Sum of Money to Canton to be lent to the Honble Company but was answered that unless he was

authorized to take it there & run the risk to Canton it could not be done, so that all hopes of receiving any supply from this quarter are now at an end, at least for the present.

This offer that they should be concerned in the operations of the New Spanish Company came to Messrs. Lance and Fitzhugh in connexion with their private trade; for though the supercargoes' private trade in commodities by the Company's ships, and their allowance in the stock on those ships, had been abolished, in lieu of those privileges they were permitted to act as agents for private merchants in India. To what extent they concerned themselves with the actual selling of country cargoes is not made clear in the records; in some cases it is manifest that their sole concern was to receive the proceeds and deal with them according to the instructions of the consignor. Most commonly they had paid the proceeds into the Company's treasury at Canton against bills on London, such transactions, often very large in amount,[1] being found in every year since 1775; but in some cases they had lent the money to Chinese merchants at interest, or had allowed the latter to remain indebted for the amount.[2] When there was a Select Committee in control, it seems to have been the rule that only the supercargoes below that rank enjoyed the privilege.[3] This was certainly the rule for the Select Committee of 1780, and was made the rule for that of 1786 by an instruction of the Court; with reference to it a letter from Mr. Henry Lane, sixth and lowest member of the Select Committee, throws some light on the exercise of the right. Mr. C. E. Pigou and Mr. Lane were members only because two of their seniors, Mr. W. H. Pigou and Mr. John Harrison, had been invalided home. Mr. Lane wrote:

> The Honble the Court of Directors in their Letter dated the 24th March 1786 having forbid the Members of the Select Committee to transact Private Business I am led to offer the following reasons for continuing my Name in the Firm of the House in which I have for some Years past been concerned. I do not suppose the orders of the Honble Court were meant to have reference to such Agency Transactions as had taken place before their pleasure was known, & should in consequence of their Letter of the 14th Febry 1783, as well as from the Share of responsibility I have with my Associates, consider myself warranted in concluding my Private Business of the Season had not

[1] Cf. *antea*, pp. 5, 26. [2] Cf. *antea*, p. 46. [3] Cf. *antea*, pp. 46, 54.

my Appointment to the Select Committee been precarious, but depending as those regulations direct, on the eventual Absence of two of my Seniors, either of whose return on the re-establishment of Health precludes me from that Station ; I am unwilling to forgo Advantages allowed me as a Member of Council below the Select Committee, & which are of that nature that if once lost might not be regained, until such times as my present Situation is confirmed.

At a consultation held that day, December 4, 1786, the other five members signed a minute as follows :

As we consider Mr. Lane's Minute as an Appeal to the Honble Court of Directors in a case for which they have made no provision, and think his reasons well founded we are content that he shall continue to transact such private Business as he is already engaged in : untill his situation as a Member of the Select Committee shall be confirmed.

We have had a reference [1] to a plan, originally proposed by the Canton Council and followed this season, by which sales of opium at Calcutta were to be paid for at Canton, as a means of remittance of money from Bengal to Canton. The Select Committee saw a flaw in the working of their own plan, and, in connexion with the proposals of the Spanish Company, recorded a minute as follows :

Also resolved to recommend to the Government of Bengal that in future the whole of what they intend for our Supply be remitted thro' this Channel, & that the Opium be disposed of in the usual way, instead of being sold to be paid for into the Treasury here ; for the latter mode altho' it seems a Medium of Remittance from thence, is so much taken from the produce of the Country Trade which would otherwise be paid in for Drafts on England ; & as we shall require whatever funds can be thrown into our hands by any means, it will be adviseable to drop this mode when a better can be substituted in its place and not liable to its uncertainty, for altho' the amount of the Agreements made this Season is not very great, we have every reason to think that little more than ¾ will be paid.

For some years past there have been passing references to the 'chop of tea' as the indivisible unit of teas bought by the supercargoes, and in this year every purchase is noted as consisting of so many chops containing so many chests, price so many taels per picul. Thus on December 13th the record gives particulars of purchases for present delivery, from eleven

[1] Cf. *antea*, p. 121.

merchants, of 77 chops of six kinds of tea, containing in all 16,101 chests :

> We likewise approved of several Chops of Contract Singlo & Twankay belonging to . . . amounting to 10,045 chests.

The chops enumerated averaged 209 chests ; but the individual chops ranged from 53 to 1,500 chests. Raw silk too is always contracted for, bought, and shipped by the unit of the bale (containing about 71 or 72 catties) ; but the price is quoted and paid according to the actual net weight.

It has always seemed strange that the supercargoes should have contracted so long in advance for their teas and silk. In earlier days, when they usually had no more than four ships in a season, the investment required, from 15,000 to 20,000 piculs of tea and 300 to 400 piculs of silk, was ordered for each ship on her arrival and delivered in about 100 days ; even for these relatively small quantities, such prompt delivery could be secured only by advancing from 50 to 80 per cent. of the contract price, to enable the Chinese merchants to make corresponding advances to the country merchants, who had to obtain the silk from Nanking (or from Soochow or Hangchow) and the teas from various markets, all in the Yangtze basin or in Fukien. When the English Company's shipping increased to twenty and to thirty ships of greater tonnage than formerly, and the season's investment to 157,000 piculs of tea and nearly 3,000 piculs of silk, it became necessary to secure the bulk of the estimated requirement well ahead, by contracts made in March for delivery in the next winter from November to January ; this was the only way in which the supercargoes could make sure of their quantity and maintain stability of prices, for they could never have any certain foreknowledge of the number of their own ships or of those under other flags, and in the height of the season they might find themselves exposed to keen competition from the foreigners. At the close of the season, on March 20, 1787, they made a calculation of their needs for winter contracts for tea based on

1. The quantity originally intended by the Court's orders.
2. The quantity actually shipped during the current season.
3. The excess of 2 over 1, or the deficit.

4. The estimated annual consumption.
5. The quantity to be provided.

	Bohea. Piculs.	*Congo.* Piculs.	*Souchong.* Piculs.	*Singlo & Twankay.* Piculs.	*Hyson Skins.* Piculs.	*Hyson.* Piculs.
Originally intended .	46,488	39,906	2,630	45,559	9,123	11,241
Quantity sent . .	54,145	35,000	9,390	40,000	4,394	10,082
Excess . .	7,657	..	6,760	..	..	..
Deficit . .	..	4,906	..	5,559	4,729	1,159
Annual Consumption	37,500	30,000	4,500	31,000	9,483	10,500
To be provided .	29,843	34,906	..	36,559	14,212	11,659
Contracted for: Chests	..	53,000	..	56,000	..	24,000
Price ℔ Pl. . .	Tls. 12–14	Tls. 25	Tls. 36–54	Tls. 23–25	Tls. 30	Tls. 55

There was a considerable quantity of Bohea in stock, and no more was contracted for. The Hyson Skins went with the Hyson, producing about one-sixth of the quantity. In fixing the prices the supercargoes were in a difficulty, since, being already heavily indebted to the merchants, they were unable to make any advance with the contracts, and could only offer advances to be paid on the arrival of the ships.

With the Hoppo the Select Committee had—not the usual troubles but—troubles as usual. In one matter this high official showed that he now held a much more important position, and did not deem it necessary to consider the wishes of the supercargoes or of even the highest of the territorial officials, and that he felt free to exercise an autocratic power whenever it suited his convenience. During this season, besides the customary cessation of all loading for ten days at the Chinese New-Year, he arbitrarily, without reason assigned by him, stopped the trade on four several occasions—a serious matter for the Company with so many ships loading, some of them thereby brought perilously near to being too late to make their passage down the China Sea and across the Indian Ocean:

Once for 10 days from November 18th, to enable the Hoppo to make out his accounts and ensure that the collection should not exceed that of the next season; two ships would otherwise have been ready for despatch in three days.

At the end of the ten days the chops (permits) issued were returned the next day, as there was a further stoppage of 6 days since the Hoppo

was ordered to proceed at once to Peking; shipping resumed on December 2nd.

Dec. 5. 'Our Shipping was again stopped this day on Account of the Foyuen's making over the Papers of the Hoppo's Office to the Tsongtoc's Officers who are to manage this business till the New Hoppo arrives.'

Dec. 28. 'This day the Shipping off is again stopped till the arrival of the Hoppo who is expected to arrive shortly.' He arrived on January 3rd.

This stoppage of shipment is thus mentioned in detail, since in other years it was used as a weapon in more serious cases.

In another matter the Hoppo manifested his capacity for using soft words when the occasion seemed to call for them. On September 10th the commanders of seven ships complained of the high charges made by the compradors at Whampoa for fresh provisions, especially for beef, which was so essential for crews arriving from a long voyage, at the end of which they were on the verge of scurvy or were actually attacked by it. The supercargoes could not see the Hoppo until the 24th, when on the occasion of measuring ten ships they grasped the opportunity to formulate some of their grievances. After having complained of the persistent selling of liquor to the ships by men in sampans, and other minor matters:

They then mentioned to him the dearness of Provisions complained of in the Letter received from Captains Rees &ca and which we find on enquiry to be well founded; he said it was merely the effect of the scarcity of Rice, that when that Article was dear all others rose in proportion; in reply he was told tho' this might be in part true we apprehended the heavy charges imposed on the Compradores by the inferior Mandareens was the chief cause of the Complaint, & so notorious was it that some Ships especially the small ones (for notwithstanding the difference in the number of Men which is the source of the Compradores Profit, the same fee is demanded as for the largest) had not been able to procure Compradores tho' they had been here upwards of a fortnight nor had fresh provisions of any kind: the whole of this We believe was never explained to him for it is very difficult nay impossible to prevail on any Chinese to interpret to a Mandareen of Rank Complaints against the Officers in his Department. . . . The only answer he made was that if we would tell him what Ships had not Compradores he would take care to provide them but took no notice of the Impositions of the Mandareens which we complained of as the cause of the high charge for Ships Provisions

only again repeating it was occasioned by the dearness & Scarcity of Rice, & that we must put up with it as unavoidable.

The regular fee for nominating a ship's comprador was 300 dollars, as shown by a letter of October 20th from the commander of the ship *Admiral Sir Edward Hughes*:

Being unable to procure fresh Provisions for the Honble Company's Ship *Admiral Sir Edw. Hughes*, or a Chop for a boat to go or return from Canton, without employing a Compradore, & paying the sum of Three Hundred Dollars as a customary fee paid by every Commander of a Country Ship, I have to request your permission to pay that sum, that the Ship may be regularly supplied with provisions & necessaries.

But from the reply of the Select Committee it may be inferred that the fee was not a customary payment by the commanders of the Company's chartered ships, manned by English sailors, but was in their case payable by the compradors to the officials:

As we understand that the Fee of Three Hundred Dollars is a customary allowance made by Ships manned with Lascars as a compensation to the Compradore for the small profit arising from such Ships, we can have no objection to your doing the same.

A more serious cause of complaint was in connexion with the appointment of one of the Security Merchants. On the arrival of the sixth ship of the season, the *Stormont*, the most recently appointed Hong Merchant, Eequa, was designated as her Security. At a meeting of the Hong Merchants on September 7th the supercargoes

acquainted them with our resolution to exclude Eequa from Securing any of the Honble Company's Ships—They informed us that he had already given in his name at the Hoppo House as Security for the *Stormont* & insisted on Securing that Ship—They were told that no Merchant had a right to make himself Security for a Ship without our consent, that on a former occasion we had acceded to the Hoppo's request (for he acknowledged he could not command it) of permitting Eequa to secure the *True Briton* contrary to our first Intentions but our acquiescence at that time was occasioned by the late arrival of that Ship & the necessity of a speedy dispatch which did not afford time for altercations; that at present we had time before us, & as the appointing our own Securities is one of the Principle of the few Priviledges we are allowed we were resolved not to suffer it to be devested from us at least without some struggle—We then requested Pinqua to be Security for the *Stormont*, he beged leave to decline it for the present from apprehension of the Hoppo's resentment, & the

other Merchants recommended passing over that Ship for a few days till the present affair respecting Eequa was in some measure adjusted.

The woollens to arrive during the season were then distributed among the seven merchants then present, Eequa receiving no share; a disinclination to trust Eequa for the woollens and in other transactions with the Security Merchants was the chief reason for objecting to him. The Hoppo sent a message asking for the reasons; and when the supercargoes sent him an explanatory memorandum,

the Linguists brought back our Letter & told us that the Hoppo's Secretary would not suffer it to be presented unless he was informed of the Contents: it is presumed he suspects the Subject of the Letter, & as he is the Person thro' whose means Eequa acquires his interest with the Hoppo endeavours to prevent any information reaching his Master which might counteract their designs. . . . The Merchants later waited on Mr. Browne from the Hoppo to inform him that he was very angry, & believed or affected to believe the whole to be their invention . . . they were asked if they would undertake to carry our Letter in: they acknowledged they were afraid to do it considering the Hoppo's present Humour.

The Hoppo's next step was to insist that

the Merchants who dealt with us should have a more equal share of the Woollens: & that Eequa should likewise have a share:—In reply they were told that with respect to Eequa that we owed him nothing, & did not chuse to trust him. We certainly should not give him any, but after they had received their several Shares they might give him a part if they thought proper at their own risque; but we never did nor ever would allow the Hoppo to interfere in the disposal of our Goods.

At an interview on September 25th the Hoppo was informed that the supercargoes, while they would make no contract with Eequa, had no objection to having cash transactions with him,

but that as a Security Merchant his power to give trouble was almost endless, & what he seldom failed to make use of that it was well known whenever he was Security for a Ship no other Merchant could buy anything out of her without either obtaining his express consent or exposing himself to ill treatment.

The Hoppo insisted that, as Eequa was a Hong Merchant, the Hoppo as the Emperor's representative must see that equal justice was done to all. The supercargoes then asked if Pinqua might not be Security for the *Stormont*, and had for answer that Pinqua might do so, if he was willing, but the Hoppo

at the same time spoke in such a manner to those standing round him as gave us to understand it would be at any Man's Peril who undertook it.

In the following days the merchants tried to placate the Hoppo, but could not have access to him, not being able to get past the secretary, who

was very Violent & scarce behaved with common civility accused him [Puankhequa] & all the Merchants of being in a confederacy against Eequa & appeared so strenuous in resolution to support him that he had no doubt but that he had been bribed, or received liberal promises the completion of which depended upon their Success.

On October 3rd the Hong Merchants had a conference with Eequa at the 'Cong So', but could come to no settlement. Finally on the 5th, a month after the arrival of the *Stormont*, the matter was compromised at a meeting of the Hoppo and the Hong Merchants. The Hoppo insisted that, to save his face, Eequa must act as Security for one ship at least in that season; on other points he accepted the measures proposed by the merchants. Eequa was to claim no other ship; he was not to interfere in the free sale of goods from any ship; he was to have 24,000 taels' worth of woollens, and such of the lead as he wished, but from the merchants; and finally

that the *General Goddard* [the twenty-second ship of the season] should be the Ship for which Eequa's name might stand in the Hoppo's Books as Security, that Puankhequa whom we had originally appointed should still be considered by us as the real Security, that we should with him settle the account of Port Charges for measurement, that in case of trouble respecting Chops or other matters where the Interference of the Security Merchant is required, we should have recourse to him.

With the substitution of the *Lord North* and Howqua for the *General Goddard* and Puankhequa, the former ship coming direct and the latter having Indian cotton on board, this was the ultimate settlement.

Apart from the difficulties with the Hoppo, the Select Committee had others connected with their ships. On September 17th a lascar from the country ship *Royal Charlotte*, one of several guarding a lading of cotton on a lighter, was beaten, thrown overboard, and drowned.

Capt'n Watson waited on Mr. Browne & informed him that a Lascar

coming in a Chop Boat loaded with Cotton from the *Royal Charlotte* Country Ship had been beaten & knocked overboard by the Boatmen for endeavouring to secure one of them who had been caught stealing, & had never been seen to rise again, that the other Lascars were much beaten and one dangerously so, in attempting to defend him ; that the Boatmen having dropt the Boat out of the tier for the avowed purpose of stealing they were out of the reach of assistance till their cries brought some people from the Hoppo House who took the Boatmen into custody.

A few days later Puankhequa informed the supercargoes that the boatmen were undergoing examination ; and assured them that if any marks of injury were found on the Lascar's body when it was recovered, one of the boatmen would undoubtedly be executed.

Another trouble arose from an attempted mutiny on the ship *Ranger* while on the voyage out from England. The commander wrote :

Very soon after the *Ranger* left England a plan was formed by some of the People to make themselves Masters of the Ship for the sake of the Honble Company's Treasure on board her, which scheme was nearly ripe for being put into execution when it was communicated to me by means of a Seaman the Conspirators wished to have joined them. I thought it necessary to put into & keep in confinement Five of the Conspirators but such a number of Prisoners being very inconvenient on board a small Ship for such a length of time as a Passage to Europe, I have to request you will be pleased to ease me of the major part by ordering them on board such other of the Honble Company's Ships as may appear to you most proper in order that they may be brought to Justice in England.

The Select Committee ordered four of the men on four other ships, one on each, whereupon the commanders devised all sorts of reasons for evading the disagreeable task of taking a prisoner in irons on their ship ; for they all demanded an express order to keep them in irons during the whole passage, that they might have no opportunity for contaminating the crew with the spirit of mutiny. The commanders further demanded and obtained a bond of indemnity for the consequences of any action for illegal detention which the prisoners might bring against them.

The Select Committee had also a difficulty with the Governor of Macao. A small vessel from Masulipatam went to Rhio, and there three men ran away with her.

We had received Information that Bowens the other Man concerned in the Piracy had been apprehended at Malacca & together with the Person who carried the Vessel back from Reo to Malacca had been sent Prisoners to Madras by the [Dutch] Governor of that place [Malacca]. As this is the first instance of such a transaction which has occurred on this side of the Cape of Good Hope for many years, and it appears to us of the utmost Importance to the security of the internal Commerce of India to check so dangerous a Spirit in the beginning by bringing the offenders to justice as speedily as possible,

they procured the arrest of the other two at Macao on July 15th, and on September 1st wrote to the Governor of Macao :

We take the liberty to address your Excellency respecting two persons Robert Watson & Wm. Grandy Subjects of His Britannick Majesty committed to the Prison of this City on the 15th July last at the requisition of Mr. Henry Browne Chief for Affairs of the English East India Company in consequence of their own Confession before him of having piratically carried off or being concerned in carrying off a small Vessel called the *Munster Lass* belonging to Mr. Roger Darvall an English Gentleman at Masulipatam . . . and we request that the abovementioned may be delivered to us to be forwarded to Madras on board the Honble Company's Packet [*Tryal*] now lying in the Typa where they may be delivered to the Magistrates authorized to take cognizance of such offences & proper evidence procured for their conviction.

To the Select Committee the two men were only pirates whom the Portuguese Governor should have been as anxious to bring to justice by their own magistrates, as was the Dutch Governor of Malacca ; but Don Bernado Alexis de Lemes e Faria refused to recognize Mr. Henry Browne as holding any official position, and informed him without delay that the two prisoners would be sent to the ' Ill^{mo} Exc^{mo} S^{r} Gov^{or} e Cap^{n} Gen^{al} da India ' to be dealt with at Goa. After making arrangements for the maintenance of the two men, the Select Committee went to Canton. Three months later the Governor applied for the cost of their passage to Goa ; but, on the ground that ' these persons are offenders against Society in general, not against the Company in particular ', the Select Committee, while willing to pay their maintenance to date, refused to pay any part of the cost of sending the men to Goa, and requested the Governor to set them at liberty. Then followed a very animated exchange of letters likely to give the higher authorities in India some diplomatic soothing to administer.

On January 5, 1787, two French King's ships arrived at Macao from a voyage of discovery—*La Boussole*, commander le Comte de Perouse, and *L'Astrolabe*, commander M. de L'Angle. On February 16th the Select Committee were dismayed to hear that two French merchant ships had arrived to be loaded, but they learned that they were two French King's ships, *La Resolution*, 50 guns, commander M. D'Entrecasteaux, Commander of the French Naval Forces in India, and the *Subtile*, 28 guns; they had masqueraded as merchant ships in order to obtain pilots to enter the Bogue.

XLII

THE FUR TRADE: TRANSFERS IN TREASURY, 1787

THE Select Committee continued to manage the Company's affairs through 1787; Mr. Harrison returned to it; and Mr. Roebuck, who had gone to Calcutta for his health, died there in April. This left Mr. Henry Lane still the junior member of the six, prohibited from acting as agent for country merchants, but without any orders from the Court that he was entitled to the higher commission given to the Select Committee. The accounts of the season 1787 were opened with the following balances:

	Tls.	Tls.
Cr. by Bohea, 6800 chests, 1300 half-chests .	241,079	
Silver remaining in the treasury . .	239,054	
With Mr. Richard Hall, for factory expenses	3,161	
		483,294
Dr. to Owing to Chinese merchants . . .	1,352,272	
„ on Interest Bonds . . .	45,330	
		1,397,602
Debit Balance .		914,308

During the season 29 ships were at Canton on the Company's account—including one which, having lost her passage, had wintered at Malacca; and including two small ships of about 300 tons, the *King George* and the *Queen Charlotte*, which had gone to the 'north-west coast of America' and brought thence cargoes of furs. The furs, consisting of sea-otter skins, were sold to Shy Kinqua for 50,000 dollars, the proceeds paid to the Select Committee against bills on London, and the two ships then laden with tea. The remaining 27 ships, including another *King George* of 776 tons, from London, some direct, some via Bombay, brought stocks of silver, 664 chests, containing 2,316,032 oz. = 2,656,000 dollars = 1,912,320 taels; and cargo which realized as follows: woollens, Tls. 619,049; lead, Tls. 115,557; copper, Tls. 7,217; cotton from Bombay, Tls. 103,670; a total of Tls. 845,493. In addition the ships brought from London, shot in as ballast, 19,247 piculs (1,146 tons) of flints. The total

investment by the 29 ships amounted to Tls. 5,258,676, of which, roughly, tea was charged Tls. 4,500,000 and silk Tls. 700,000. The factory charges for the season were Tls. 45,489.

The principal features of the trade of 1787 were as follows :

	Ships at Canton. No.	*Ships at Macao.* No.	*Silver.* Chests.	*Cotton imp'd.* Piculs.	*Tea exp'd.* Piculs.	*Raw Silk.* Piculs.
English { Company	29	..	664	82,150	161,304	2,339
English { Country	33	4	4	101,161	423	..
American	2	..	?	..	5,632	..
French	3	2	238	..	12,967	..
Dutch	5	..	160	..	41,162	337
Swedish	2	..	129	..	21,682	48
Danish	2	..	149	..	19,980	..
Imperial (Ostend)	..	1	?	..	?	?
Prussian	1	..	34	..	3,745	..
Italian (Leghorn)	1	..	?	4,000	..	48
Spanish (Manila)	3	..	?	..	..	..
Portuguese (Lisbon)	..	4	?	..	?	?
	81	11	1,378	187,311	266,895	2,772

In this table no statement is made of the silver brought by the American and Italian ships at Canton, for which 50 chests would be a moderate estimate ; this gives over 5½ million dollars imported at Canton alone. The Portuguese ships from Lisbon and that under Imperial colours from Ostend must have brought enough to buy their homeward lading ; but the Spanish ships from Manila brought rice to relieve the prevailing distress, and probably carried no silver.

May 14. The *Sta Florentina* Spanish ship sailed [from Macao] for Manilla : this is the 3rd Voyage this Vessel has made within the Twelve Month—this Navigation which formerly required a whole Year for a Voyage is now become so familiar in consequence of the exertions made by the Spaniards to partake of the advantages of the Rice Trade, that Ships go & come at all Seasons.

The two American ships were the *Alliance* of about 600 tons and the *Columbia* brig of 120 tons.

In the English trade a noteworthy feature is the importation of some English copper, under an agreement that, when the price in England was below a certain figure, the Company would export what the producers could supply ; some quantities were

accordingly forwarded in this and the four years next following. The copper was in three forms :

Japan : smelted into small cakes of the form in which Japanese copper came to market ;

Battery : hammered in a battery into bars or rods ;

Manufactured : alloyed to make brass.

Shy Kinqua has offered 21 tales ℔ pecul for the Japan Copper which is more by four Tales ℔ Pecul than what we understand the Dutch sell theirs for which is real Japan. [The Dutch had then a monopoly of the foreign trade of Japan.] Pinqua offered 17 Tales ℔ Pecul for the Japan Copper & 16 for the Manufactured, the Battery he said would not answer at all. Geowqua offered 16 Tales for both the Manufactured & Japan Copper ; neither of these Merchants made any account of the Battery. Eequa offered 18 Tales for the Japan & Manufactured which is a small profit on the former & what if we could engage for the disposal of a considerable quantity would we suppose answer the views of the Honble Company very well which are rather directed towards lessening the exportation of Bullion than any immediate Profit on the Article itself. [Finally] Shy Kinqua agreed to take the Japan at 21 & the Manufactured at 20 Ta's, the Battery he had rather be without but as it was a small quantity offered 16 Tales ℔ Pecul being about the Invoice price.

It was, however, mainly to the country trade that the Company looked to replenish the funds of the Canton treasury. Cotton had been steadily growing in importance, amounting this season to 183,311 piculs, of which only 11,519 piculs were on the Company's own account. The proceeds of the balance, not less than Tls. 1,750,000, and of other Indian produce by the country ships, after providing for the unimportant return cargoes, were almost entirely paid into the treasury against bills on London. Some further provision of funds came from the opium shipped by country ships from Calcutta or Damán to Macao.

In the cotton was some quantity with a large proportion of seed, and to ascertain its value the supercargoes decided to clean a parcel of its seed, for which they procured ' the Machines used by the Chinese for that purpose '. It would be interesting to know if Eli Whitney heard of this type of ginning machine before inventing his own in 1792.

In the export trade the Company now shipped 60 per cent. of the tea, and 85 per cent. of the silk, exported in the season.

It was the custom of the Select Committee to call together, from time to time, the whole body of supercargoes, in order to communicate to those members 'below the Select Committee' the general course of business and any matter of importance; but consultations were held and decisions taken only by the Select Committee. Eequa, who was so much a *persona non grata* in the season 1786,

having conducted himself during the latter part of the last Season much to our satisfaction, & requested that we would permit him again to partake of the creditable Responsibility he formerly possessed of in common with the other Hong Merchants of being Security for the Honble Company's Ships & promising to be upon his guard against such a conduct as might give Umbrage . . . as our Views in excluding him which were to bring him to a proper sense of Misbehaviour are fully answered, We agreed to grant his request. He will accordingly be security for the *Marquis of Lansdowne*.

On January 10, 1788, Puankhequa died in the 74th year of his age. He was doyen of the Co-Hong, the principal among the Hong Merchants, and had given the supercargoes for many years much help and much trouble.

Whether his Death will be attended with any Inconvenience to the European Trade, it is difficult to pronounce, he was certainly a man of great abilities, and could be extremely useful when so disposed, which seldom happened but when he was swayed by his own Interest or Apprehensions, it is very well known that he frequently caused Embarrassments, that his Consequence might appear his Power to remove them, and was altogether of a nature so prone to Intrigue, that, should the son be able to keep up the Credit and Commercial Consequence of the House, there is little reason to think his Loss need be regretted.

With him the Select Committee had in the previous winter made a contract for 2,000 piculs of raw silk at Tls. 280, and, in the penury of the Company's treasury, without the customary advances, but on the condition of prompt payment on delivery of the silk. At the time of his death it had become known that the ship *Hartwell*, with specie on board, would probably lose her passage and not arrive; and Puankhequa's son declared that, beyond the quantity already delivered, 1,100 piculs, he could not complete the contract unless he was assured of prompt cash. As Puankhequa had insisted on an exclusive monopoly of

transactions in silk during that season, the Select Committee were unable at the time to find any silk elsewhere; but ultimately Puankhequa's son provided 400 piculs, accepting in part payment bills on London for the equivalent of 200,000 dollars, and promised to do his best to make up the total of 2,000 piculs. In addition, the exclusion being removed, several hundred piculs were brought forward by Howqua, Eequa, and Munqua.

At the opening of the season the Co-Hong collectively made an effort to secure a reduction in the prices of the woollens, demanding a cut of Tl. 0·10 per yard on cloth and Tl. 0·50 a piece on Long Ells. The supercargoes pointed out that

> the Woollens were an article the Company were under the necessity of exporting as it would not be possible otherwise to pay for their investment.

The merchants did not, individually, seem very solicitous of gaining their point, and were chiefly concerned to secure their allotted share in the season's importation, even at the standing prices; and these remained unaltered. An attempt was also made to lower the price of lead. The Danes and Swedes had been induced to sell theirs (12,527 piculs) for Tls. 3·00 a picul, and the merchants insisted that the English should also sell theirs (30,410 piculs) at the same price, instead of the established price of Tls. 3·80; this demand also was resisted and the price remained unaltered. To the Chinese merchants it was really of small importance whether they gave a little more or a little less for the imported goods; to the Company these goods were only a method of laying down the dollar; to both they were really disposed of in truck or barter, thinly disguised under the form of a sale in terms of money, and the sums realized in money were barely sufficient to cover the invoice cost. At the prices fixed the merchants were eager to obtain their allotted shares in the importation of woollens during the season, and the lead was always taken by the Security Merchant of the ship—indications that the fixed prices were such as to give a good profit; but the purchase of woollens was always conditioned by a winter contract for teas,[1] which were also, more or less, at standard prices. If the prices of woollens were raised, or if a demand was made that

[1] 'He then informed us that his Bohea 400 chests being his Proportion for 1/16 of the Woollens was ready for packing.' Diary, March 10, 1788.

they should be lowered and they were maintained, it was always open to the Chinese merchants to weight the balance and equalize matters by adding to the cost of teas. To do this on the winter contracts might, perhaps, be too obvious; but even in these the supercargoes, at the close of the season, subsequently to their refusal to lower the prices of woollens, found that their Congo, Singlo, and Twankay contracted for the season 1788 cost them a tael a picul more than in 1787; and for Souchong and Hyson they paid during 1787 higher than ever before. Hyson had generally ranged around 50 taels a picul; but now the best chops cost them 64 taels, far above any previous price.

In the consultations of the season 1787 there are several references to opium, carried in the country ships to Macao. These ships often anchored at Taipa, but

> the Portuguese are apprehensive of foreign Ships laying there for the purpose of carrying on a contraband Trade to their disadvantage for which it is very convenient & are more particularly jealous of Ships from Bengal which they suspect to have Opium on board.

In a letter, dated April 30, 1787, from the Governor-General to the Select Committee reference is made to '200 chests of Opium shipped by Mr. Bruere on the *Tyronne*'; and in a later letter the Select Committee are informed that, in addition to the 200 chests by the *Tyronne*, Mr. Bruere was concerned in 205 chests on the *Resource*, and 135 chests on the *Lansdown*. These and other cargo by these ships were mortgaged to the Governor-General in Council, the obligation to be released in proportion as certificates were received that the proceeds had been paid into the Company's treasury at Canton. We also have a note on prices at Canton from 1780 to 1787:

1780. Dollars 200 to 240.
1781. ,, 240 to 300.
1782. The Company's Opium (1,400 chests) sold for 210 D'rs & being all exported except 200 chests those were sold from 250 to 290.
1783. Dollars 270 to 300.
1784. ,, 210 to 240.
1785. ,, 320 to 500.
1786. Medium price of 1,300 chests sold by Association 388 Dollˢ.
1787. Dollars 320 to 350.

It must be remarked that in the year 1786 there were at least 2,000 chests brought to China, so that the price was not only high but the

quantity exceeding by 500 or 600 chests what it used to be annually six years ago—which is mentioned as the strongest proof of the prosperity of the Trade.

To provide funds for the investment of the season 1787 the Company, by the Court of Directors, had sent from England English goods realizing Tls. 741,823 and silver to the large amount of Tls. 1,912,320, a total of Tls. 2,654,143 ; and by the Governor-General and Presidencies, or by unofficial channels, had sent directly Indian cotton realizing Tls. 103,670, and payments against bills for the benefit of the country trade amounting to Tls. 2,875,923, a total of Tls. 2,979,593 ; London thus supplying 47 per cent., and the India-Canton trade 53 per cent. The latter had therefore become of great importance to the Company, and the Governor-General, Lord Cornwallis, wrote to the Select Committee that, if any impediment were placed on its prosecution,

the consequence to the Company, if such were the case, is too obvious to need a comment, the loss of revenue to our Settlements by the non export of their Commodities, the loss of Supplies to China by the amount of such export being withheld from you, for it is not to be expected that the India Company can be enabled to furnish annually Supplies in Specie equal to your wants, nor can there be any other mode of furnishing your Treasury than by the Commodities of India being sold in China, but this Trade cannot be carried on under a competition with the Company's Agents there.

The last words refer to a representation by leading private merchants in Calcutta that they had

received great complaints from their Agents of the obstructions that they have met with in their mercantile Adventures at Canton . . . they have ventured to assert that some of the Supra Cargoes have engaged in private Trade, which they partly carry on under the name of Mr. Cox, a free Merchant, & in many instances make use of their influence to force private Traders to buy & sell their Opium & other Commodities upon disadvantageous Terms.

The new broom was inclined to sweep away the accumulated dust of the Company's practice in maintaining its monopoly. The country trade had been carried on during the whole of the century by means of supercargoes on board the ships, but all continuing transactions must be in the hands of one or more

members of the Company's own Council—now limited to those below the Select Committee. It was the policy of the Court to permit no private merchants to remain in China from one season to another; and they had further in 1785 by 26 Geo. III, c. 57, obtained authority for their agents in China to exercise the powers of expulsion already vested in the Court of Directors. After the expulsion of Mr. George Smith and his colleagues in 1781, the only private merchant resident in China was Mr. John Cox, who had come in 1781 'for the benefit of his health'. The Select Committee held a public inquiry into the matter, which was really an investigation into the outside activities of their junior colleagues; and Mr. Cox and the commanders of the country ships then in port all declared on oath that the Company's supercargoes had never obstructed their operations, but had, on the contrary, always given them every facility and shown them all courtesy. Mr. Cox, however, under the renewed order of the Court, was required to leave China by one of the ships of the current season. The complaint seems to have been only a manifestation of the straining at the leash of the private merchants in India, who desired to obtain unchecked and unsupervised access to the China market.

The machinery for financing this country trade was provided by the bills of exchange drawn on the Court of Directors in London. In 1786 the Select Committee had also granted bills on the Bengal treasury for considerable sums in rupees; and Lord Cornwallis in his zeal as a new broom reprimanded them for this action of theirs as unauthorized, and specifically for the rate of exchange 39 dollars per 100 current rupees, the parity of exchange being about 41½ dollars. On the first point they were able to satisfy the Governor-General by referring him to the actual authorization; and they reminded him that, out of a total of supplies from the Bengal treasury of 2,250,000 rupees which had been promised by the Governor-General and Council for the season 1786, only 1,360,223 rupees had been received, leaving 889,777 rupees unremitted; while their drafts during the season amounted to 662,000 rupees only; and that the method adopted was quite in line with the ordinary procedure of the Bengal Government.

On the question of the rate of exchange they pointed out that, while the Bengal treasury might seem to suffer a loss, the Company as a whole gained considerably. For some years past they had been compelled, in order to procure sufficient funds at Canton, to issue 365 days' bills on London at an exchange of 5*s.* 6*d.* per old Old Mexico dollar ; these bills for sums in sterling were sent to the Indian settlements and there sold at 2*s.* per current rupee, and often at 1*s.* 11*d.* The traders preferred to have sterling bills rather than rupee bills, their advantage being expressed in the following calculation based on the rupee transactions of the previous season :

Head Dollars 258,479 paid into the Canton treasury, at 2 per cent discount is Old Mexico Dollars		253,310
at 5*s.* 6*d.* per Old dollar is		£69,660
at 2*s.* per rupee is	Current Rupees	696,600
at 1*s.* 11*d.* per rupee is	,, ,,	726,888
Head Dollars 258,479 at 39 dollars per 100 rupees	,, ,,	662,767

On this basis the sterling bill sold at 2*s.* per rupee benefited the holder more by 5 per cent., and at 1*s.* 11*d.* by 10 per cent., with corresponding loss to the Company.

Acting on the injunction of the Governor-General the Select Committee refused to grant any more rupee bills on Bengal, but offered applicants sterling bills on London at 5*s.* 6*d.*, or to take money on deposit at 10 per cent. per annum.

An immediate result was a notable increase in the practice of granting 'transfers in the treasury'. At a consultation on October 16th the Select Committee record a minute :

As the necessity of employing large sums of Money to secure the Purchases of Teas in the Country in the present situation of this Trade frequently renders it inconvenient & difficult for the Merchants to pay Individuals with Specie for the Cargoes they buy & we think it probable on that account, that on the publication of our terms of Exchange we may receive Applications from several, to admit of their making payments by Transfers in our Treasury—We took into consideration how far in the present situation of Affairs between us & the Merchants being very much in advance to them without anything against us except the amount of Bohea not shipped it might be prudent & adviseable to admit of such Transfers. This Transaction had its origin at a time when the want of Specie rendered it an object of reciprocal convenience to the Company, the Merchant & the Remitter

& was an order from the Merchant to whom the Company was indebted to pay the amount of the Balance owing or any part thereof to an Individual who has at the same time a demand on the Merch[t] which payment it is always understood is to be made by a Bill of Exchange on the Honble Court of Directors. Totally to supress such a mode of Payment will we believe be impracticable, the necessity of remitting large sums into the Country leaves so little Specie in Canton that the whole collected Currency of the place would not suffice for the payments which must be made in our Treasury for Bills in the course of the Season—but as the granting Bills upon such orders at a time when we are not indebted to any Merchant is in reality a Payment in advance rather than a Transfer of Debt & as such payment in advance would not have been made in Specie without some consideration in favor of the Company so it appears but reasonable that a Credit afforded by this means should be accompanied with similar Advantages.

Resolved therefore that no Transfer or Order from any Merchant for the Payment of Money by Bills on the Honble Court of Directors be accepted except the same be in discharge of a debt actually existing or that the same be considered as an advance on some Contract which shall take place in consequence thereof; except as to such Merchants and in such case or situation as the Committee would otherwise on application have made a payment in Silver.

In the season 1785, when the treasury was very short of silver, the privilege of transfers was 'taken too much advantage of, not to say abused', and the merchants had regularly charged remitters a premium of 10 per cent.:

it is indeed said that about the time of the New Year when the necessity of adjusting accounts, especially those of the Duties, made their wants more urgent, some persons have given as far as 15, 20 and even 30 ℘ Ct.

The transfers, in fact, served as currency for the needs of the port. From this date on, in 1787, they were granted to the merchants in large amounts, as a means, in lieu of cash, of paying for purchases of teas and silk.

This evil was the necessary effect of want of Money, & whilst the Company continued in debt was unavoidable not being able to pay by means more eligible it would have been unjust to reject these which were in our power.

On one occasion (December 28th) Mowqua, who was not a Hong Merchant, applied for transfers for a total of Tls. 130,000 in connexion with a contract for teas; and the Committee required Munqua, who was a Hong Merchant, to go joint account with

THE CANTON FACTORIES, 1785

him in the application, 'that we may have the same Claim on Government in case of a failure'. Towards the close of the season (February 4, 1788), being apprehensive lest they might not have sufficient silver for the current expenses of the factory and the shipping,

We resolved that every Transfer which may be Tendered after this Date be accompanied by a Payment in Specie equal to 10 ℘ Ct. on the amount of the same.

This season the trade was again stopped at about the same period of the Chinese year, and again the only cause assignable was a desire that the revenue collected should not exceed the collection of previous years: should that occur it was to be feared that the annual return required from the Hoppo's office would be increased. On this occasion shipment was stopped for a whole month, from November 2nd to December 1st.

There was much trouble in connexion with the ships and their crews. It may first be noted that there is this year the second reference to a copper-bottomed ship in the records, the first having been the country ship *Nonsuch* carrying opium in 1782. At the close of the season, on March 13th, there was a belated lot of 120 bales of especially fine silk to be forwarded:

As the *Belvedere* is a coppered Ship and we think it of consequence especially at this late Season, that this article should go by the speediest Conveyance so as to arrive as early as possible in England we agreed to [ship] this Parcel likewise on board that Ship, which as the Chop for the former Parcel was taken out in the *Osterley's* name, can easily be done notwithstanding the allowance of 100 Pecul is exceeded.

We have here a reference not only to the greater speed of coppered ships, but also to the practice of sending two ships' allowance of silk by one ship.

In anticipation of any trouble that might result from the rowdyism of the sailors on the ships at Whampoa, arising in the quest for liquor or out of the exuberance of their spirits, the Select Committee early in the season gave special powers of supervision to the Commodore, the senior captain of the Company's ships at the time in port; and they gave general orders to the commander of each ship as it arrived:

You are to direct a Boat from your Ship under the Command of a proper Officer to row as a guard Boat in different parts of the reach

whenever the Commodore shall appoint your Ship to furnish a Boat for that purpose.

The officer of the guard was to arrest any person making any disturbance of any sort and 'carry him on board the Commodore', where he was to be tried and punished by a court of captains.

On November 10th some sailors of the *Walpole* 'cruelly beat some Lascars and insulted the Commander of a Country Ship'. The commander of the *Walpole* reported the occurrence and attributed it to the liquor sold by the Dutch at their banksall to the sailors 'who swim on Shore & are supplied with any quantity that they can pay for'. Representations were made to the Chief of the Dutch Council, who issued the most stringent orders that no liquor was to be sold.

On November 26th the Select Committee were informed by the linguists that the day before

a Chinese who was exposed on Danes Island with a Board about his neck as a punishment for having been concerned with several others in Assaulting and robbing some People belonging to the *Belvedere*, had been beaten by some of the Seamen in such a manner that his Life was thought to be in danger & that the Hoppo had in consequence wrote an account thereof to the Tsongtoc.

The Commodore reported that such an episode had occurred, but that there was no reason to suppose the man was dangerously hurt; it was surmised that the Hoppo had wilfully exaggerated the facts in order to have a pretext for prolonging the stoppage of trade, which was then in force. Five days later the Commodore reported that the seaman who had committed the assault had been discovered on a sampan near the Second Bar, and was put in irons on board his own ship the *Lansdown*. He was doubtless punished, but his case was overshadowed by the mutiny on the *Belvedere*, which occurred on December 2nd. The Commodore wrote:

In consequence of a Mutiny on board the *Belvedere* & a request to me from the Commanding Officer for assistance, I summoned the Commanders of the Fleet, when it was thought necessary immediately to Man & Arm a Boat from each Ship & send on board the Ship, after a considerable resistance ten of the Ringleaders were secured and brought on board the *FitzWilliam* & are now distributed & confined on board different Ships.

Supercargoes and commanders all thought very seriously of the occurrence,

as such an example may have the most pernicious tendency if not checked by some adequate Punishment inflicted on the first offenders ;

and a court of commanders was summoned to try the men and decide

whether it would be more advisable to send them home Prisoners to take their trial according to Law or to inflict immediate & severe corporal punishment in a public manner.

The judgment of the court, signed by sixteen commanders of the Company's ships, was pronounced on December 15th :

The Court having gone thro' the Evidence and asked the Prisoners what they had to say for themselves, it has not appeared that there has been the least Cause for a murmur amongst the Ship's Company, either for ill usage from the Commander or any one Officer or Petty Officer in the Ship, that this daring Mutiny has arose from a Spirit that prevailed that they were on board of a Merchantman where according to their own Expression they would not meet with due Punishment ; that it also appears that on Sunday the second day of the Mutiny, the Prisoners were all sober and deliberate but one Man, Kelly, & who pleaded Drunkenness, the others never attempting any Defence of that sort, or saying anything in their own Vindication. We therefore are of opinion that this daring Mutiny had it not been immediately suppressed by about Eighteen Boats manned and armed from the Company's Ships, the Consequence might have been dreadful, not only to that Ship, but this Spirit spreading to the Fleet in general, where there are above Three Thousand of His Majesty's Subjects, the greater number of which might have by joining the Mutineers committed Depredations against the Inhabitants and put a Stop to the Company's Trade, and the Loss of many lives. We therefore are of Opinion that severe and immediate Corporal Punishment be inflicted upon the Ringleaders, and that Berry and Lilly, at different Ships of the Fleet, receive—Berry one Hundred and Lilly Seventy Lashes, that the rest be punished on board the *Belvedere* and that Ladson and Keef receive Sixty Lashes, Garland, Skinner and Connor Forty eight Lashes, Hastings and Langford Twenty four Lashes. That Kelly as least culpable receive Twelve Lashes, the latter recommended to Mercy by the Court.

This judgment was approved by the Select Committee, and

was accordingly executed with our approbation under the Direction of Captain James Dundas, to whom as Senior Commander we committed the Superintendence of the Regulations we have thought it expedient

to establish in addition to those issued by the Honble Court for preserving good order among the Seamen, a Trust which he has discharged with Alacrity, Assiduity and Effect.

Discipline was always maintained on the high seas by the captains and officers of the ships, but we have here an instance of extra-territorial jurisdiction exercised in a Chinese port.

Concurrently with this turbulence there were some cases of violence. On December 24th a seaman of the *Earl FitzWilliam* was struck a violent blow on the head by a Chinese with whom he was quarrelling; his skull was fractured, and he died on the 28th.

On being informed of these Circumstances we sent for Chowqua the Security of the Ship to desire he would apply to the Namhoyen, to have the Chinese secured and brought to Justice which he promised to do.

The body of the seaman was buried on the 29th, and when the Hien's officers came on January 1st, they required it to be exhumed for examination. The body was brought up from Whampoa, and on the 2nd

the Namhoyen attended in Person to inspect it; and after examining three Chinese who were in the Affray, one—who was proved by some Seamen to be the Man who gave the Blow, which was done by beating his Head with an Earthen Jar as he lay upon the ground—was taken up and put in Chains, and the Namhoyen assured Captain Dundas that he would be executed as soon as the Emperor's Answer could be received, who must first be informed of the Case, which he said would be in about Forty Days.

On January 8th, in an affray with some seamen of the *Rose*, a Chinese was wounded, and as he was thought to be in a dangerous state

Captain Dempster carried him into his Factory to be properly attended, at the same time found out & secured the Man who gave the blow.

The seaman was afterwards found to be one of the crew of the *Royal Admiral*, and on that ship he was kept in custody until the wounded man's wounds showed signs of healing, and all danger of a fatal result had passed.

Robberies of cargo inwards, while in the lighters from ship to factory, were of frequent occurrence; and one case calls for special notice. Captain Larkins had freighted his own ship, the

Company's chartered ship *Warren Hastings*, to load cotton from Bombay to Canton, and had bound himself to pay two lakhs of rupees, the proceeds of sale, into the treasury at Canton ; but he found himself in difficulties because of pilferage. He had laden and discharged 5,204 piculs according to the gangway books at Bombay and Canton, but only 4,473 piculs were delivered at his factory, a deficiency of 731 piculs, representing a sale value of 8,772 taels or 12,183 Spanish dollars. Those bales which were untouched were found to have the proper average weight of 400 lb. ; but others had been

shortened by about a Foot and then sewed so completely at the Ends as scarcely to be perceivable from the Bombay Package, and on examining further find the greatest Part of the Bales to have been thus plundered.

Complaint was made to the Hoppo, who, after a month's interval, decreed that the Hong Merchants should jointly make good the loss, which was assessed at 8,000 dollars ; and they apportioned the payment as follows :

	Dollars.
Geowqua, Security for the ship & owner of the lighters	3,000
Shy Kinqua } purchasers of the cotton	1,500
Eequa } purchasers of the cotton	1,000
Puankhequa, Chowqua, Munqua, Pinqua, Howqua (500 each)	2,500

The supercargoes protested that

Geowqua should bear the Whole Charge, that the Boats were his and that his Boatmen were notorious for robberies of this kind, which was doubtless owing to his supiness and inattention to the Conduct of the Person he employed. They accepted the settlement on this occasion, but that another Season in unloading the Company's Goods they would insist either that the Security Merchant should be answerable for all Loss, or that the Merchant who bought Goods should be allowed to unload them with his own Boat and be answerable for them in the same manner as for Export Goods.

The merchants pleaded that it was ' a Custom of long Standing ' but promised to consider the question.

The rule that trading was restricted to the Hong Merchants was still in force, but it was disregarded, frequently in the country trade, usually in the private trade on the Company's ships ; in such a case, however, redress could not be demanded through the Hoppo. On one occasion (March 19th), Howqua

being absent from a meeting of the Hong Merchants summoned by the Select Committee, it was found that

> he was in the Imperial Factory where he was kept a Prisoner by Mr. Dormer Purser of the [Company's ship] *Nottingham* who having got himself embarrassed by some irregular Dealing with Small Merchants and Persons of that Description had staid behind to settle his Business. It appeared that he claimed a Debt of Howqua under pretence of his having been Security for the Payment of a Sum of Money from one Acheong to whom he had lent it in the beginning of the Season, but he acknowledged Howqua did not offer to become Security at the Time the Money was lent, and could produce no Proof that he had offered to become so afterwards than a Paper which he had drawn out and wished Howqua to sign, but which he declined.

Munqua was Security Merchant for the *Nottingham*, with which Howqua had nothing to do. Howqua was released from duress; Mr. Dormer was reprimanded and ordered to sail by the first ship.

The French had had, for ten years past, a Consul at Canton, appointed in consequence of the abolition of the French East India Company's monopoly.[1] In 1786 the American Government appointed a Consul, Mr. Samuel Shaw, to reside at Canton. It may be surmised that he intended to spend the interval between seasons in a trip to Calcutta, since in a census of foreign residents in April, 1787, we have—

> *American*: Mr. Sam[l] Shaw, Consul, resided by accident being disappointed of a passage to Bengal.

There was also in 1787 a Prussian Consul, Mr. Daniel Beale, a British subject, formerly purser in the English Company's service. As an unlicensed 'English Private' he received the usual order to leave China; but he produced an official document from Count Lusi, 'Envoyé Extraordinaire de sa Majesté le Roi de Prusse auprès du Roi de la Grande Bretagne', appointing him Prussian Consul at Canton. The Select Committee took no further action, beyond reporting the facts to the Court of Directors.

[1] Cf. *antea*, pp. 2, 39.

XLIII

LT.-COL. CATHCART'S EMBASSY, 1788

THE same Select Committee, with Mr. Henry Browne as President, carried on through the season 1788. Mr. Browne went home in January (1789), leaving Mr. John Harrison to be President.

The books for the season were opened on April 5th with the following balances:

		Tls.	Tls.
Cr.	by Silver in treasury	99,999	
	Bohea, 200 chests	7,023	
	Mr. T. Freeman (Factory Charges)	10,671	
	Owing by Chinese Merchants	106,394	
			224,087
Dr.	to Interest Bonds	58,859	
	Owing to Chinese Merchants	580,948	
			639,807
	Debit Balance		415,720

The Company had 26 ships at Canton during the season 1788, of which one, the *Prince of Wales*, was a small craft from the North-West Coast of America with furs, which were sold for 64,235 dollars; another similar craft, the *Princess Royal* sloop, was at Macao, but her transactions did not pass through the Select Committee's books. Three arrived from Botany Bay; and by the 22 ships from London, direct or by way of Indian ports, the stock realized: Woollens, Tls. 1,107,427; lead, Tls. 117,949; copper (23 tons invoiced at £2,043) Tls. 7,500; a total for English products of Tls. 1,232,876. Indian products on the Company's account realized Tls. 89,600; making a total of Tls. 1,322,476 from goods. The ships brought 2,772,000 Spanish dollars from London, 135,000 head dollars from Penang, and 5,253 ducatoons from Benkulen; a total of Tls. 2,094,878 in value. The exchange of the season for sterling bills at 365 days after sight was fixed at 5*s.* 4*d.*, a gain to the Company of 3 per cent.; and certain engagements with the

Bengal treasury were received at Canton at the rate of 306 current rupees per 100 taels: under these two heads, and from certificates, together with Tls. 43,178 for freight on private ventures, the Canton treasury received a total of Tls. 2,498,464 from the country trade. The return investment from Canton was invoiced at Tls. 4,566,653.

In the private trade on the season's ships were included 86 pipes, butts, hogsheads, or half-pipes of sherry and madeira, making the round voyage for the improvement of their flavour.

The trade of Canton was as follows:

	Ships. No.	*Silver.* Chests.	*Cotton.* Piculs.	*Tea.* Piculs.	*Silk.* Piculs.
English { Company	26	728	61,632	141,218	1,877
English { Country	24	25	84,168	3,687	1,214
American	4	62	545	8,916	256
French	1	?	..	2,191	73
Dutch	4	106	..	31,347	142
Swedish	2	77	..	19,407	127
Danish	2	?	..	18,726	85
Spanish	3	..	..	2,388	134
	66	998	146,345	227,880	3,908

Allowing for the ships for which no figures were supplied, it is probable that 4½ million dollars were imported in silver. The American ships brought 1,065 piculs of ginseng.

The Court had sent out some samples of 'Norwich, Halifax, and Manchester Goods'. On inspecting them

Shy Kinqua said that they were unlike anything commonly made use of either for Dress or Furniture, that the Velvets and Velverets especially which are party colored would never answer, but he pointed out some Pieces of Manchester Goods called Denims and Royal Ribs which perhaps might be made something of, and he would have no objection to indent for a few Pieces for a Trial, the Colors however ought to be the same as those of the Woollens, viz. Blue, Black, Green, Ash and Brown, but no Yellow or Scarlet.

A trial indent for 1790 was sent for 200 pieces of each kind. Puankhequa expressed the same opinion, that they

would never be brought into common use . . . and at the same time that it would not be for the Interest of the Merchants to promote a Demand of such a Nature.

Consequent on the death of old Puankhequa it became

necessary to designate a new head of the Cohong. His son, also called Puankhequa, having declined the honour, Munqua was appointed to the position. Towards the end of the season Howqua was reported to have absconded, heavily in debt to the Hoppo for Customs duties and other dues.

The general embargo on trade, which had now become an annual occurrence, began on October 27th:

> were the Hoppo to send up the Whole Produce of the Year, and Trade hereafter to decline so as not to produce an equal amount, the Consequence to him might be disgrace and Ruin.

In fact the first consequence would have been that, instead of returning one-tenth of his gross collection as the revenue of the year, he might have been required to return perhaps as much as one and a half tenths;[1] the occurrence calls for remark only as an indication of the extent to which the Hoppo had acquired arbitrary and irresponsible power over the Canton trade. By November 11th the Select Committee became impatient of the delay, which might cost them £20 a day as demurrage for each ship then in port, and threatened to adopt the only means by which they could now make any representation to the Hoppo.

> We then mentioned to [the Merchants] the Business of the Stoppage and informed them we should certainly send a Chop [petition] to the Hoppo House, escorted by all the Boats of the Fleet, if it was continued any longer, which they well knew would be a disagreeable measure to the Hoppo, and excite his Displeasure against them; we therefore recommended to them to go into the City, and endeavor to prevail with the Hoppo, to permit our Business to go on without putting us to the necessity of having recourse to it; which they promised to do.

The result was that on November 15th they were 'permitted to ship off again and send down Chops for unloading the Ships'.

It is only at rare intervals that, in the records of the Company, we get any glimpse of the traffic in opium. In October, 1788, a Portuguese of Macao, Sr. Botelho, brought charges against Mr. Lane, of the Select Committee, which his colleagues, after

[1] Cf. *Trade and Administration of China* (3rd ed.), pp. 111, 308, 359; *International Relations of the Chinese Empire*, vol. i, pp. 15, 34, chap. iv, *passim*; *The Gilds of China*, p. 81.

full investigation, declared to be without foundation and based on personal malice. Among other charges he alleged that

It is certain that Mr. Lane did for his Private advantage embark personally on the Sloop *Flayte* in order to sell 50 chests of Opium on the Coast of China in the year 1786, as is publickly known to you. It is certain that Mr. Lane has built a Sailing Vessel in which he carries on a contraband Trade between Canton and this Place [Macao]. It is certain that Mr. Lane has caused great irregularities in this City, by introducing the prohibited Traffick of Opium.

In a written reply handed to the Select Committee, Mr. Lane repudiated all the charges brought against him.

Perhaps, where the motives are so apparent, and there are such evident marks of rancour and Exasperation in the author, I may take to myself some satisfaction that after being fifteen years in the Honble Company's Service, and twelve years in one of the first Houses for Agency in India, he should have been obliged to have recourse to the grossest misrepresentation and exaggeration to place the only action he has specified and which has the least Foundation in Fact, in an unfavourable Point of View. The 50 Chests of Opium were not sold from the *Fly* on the West Coast of China, but at Macao, they belonged to the Association of 1786,[1] as did likewise the 600 Chests he alludes to [as] having been landed there; These were purchased by a Monador (a Priviledged inhabitant of the Place) with Permission of the Governor, paid the customary Duties to the City, and the Ship upon entering the Harbour paid Measurage to the Chinese. . . . The Honble the Court of Directors have already been made acquainted with the Opium Association of 1786 by Lord Cornwallis, and I have the Satisfaction to think after the fullest enquires made by his Lordship, the Part Messrs Lance, Fitzhugh and myself took in that Transaction is thought to have done us no discredit.

The principal event of the year 1787 was the Embassy of Lt.-Col. Charles Cathcart, M.P., a distinguished officer who, up to the date of his nomination, was quartermaster-general to the Bengal Army. He was a royal Ambassador from the King of Great Britain, France, and Ireland to the Emperor of China, commissioned to adjust the difficulties which had arisen in connexion with British trade to that country; and was not an emissary of the East India Company. That Company paid the Ambassador's salary (£6,000 a year, but he was expected to provide his staff) and put 20,000 dollars = £5,000 on board

[1] Cf. *antea*, p. 140.

H.M.S. *Vestal*, which was to convey him to China, to provide for the incidental expenses of the Embassy; and it paid £4,000 to lay in a stock of suitable presents for the dignitaries of the Court, including the gold box in which was deposited the King's letter to the Emperor. But when the Chairman and Deputy Chairman waited on Mr. Dundas to request that the concessions to be obtained should be reserved to the Company and should not be open to foreigners or to unprivileged private British subjects, he informed them that

> it would be absurd if we can obtain a Settlement from the Emperor of China, to take the Grant of it on any more limited terms than he is willing to give. Our obtaining the Grant without any restriction does not lay us under any obligation to communicate the benefit either to other Nations, or even to British Subjects, other than the East India Company; but surely the Chairman and Deputy cannot seriously mean that in negotiating with the Emperor of China, the King of Great Britain is to accept of a Settlement with such a restriction in it, as of necessity obliges him to carry on the Trade of China by an exclusive Company.

In the matter of the debts too the Ambassador's hands were left free. Mr. George Smith and some other creditors were desirous that he should negotiate on these; but the difficulty of obtaining the unanimous consent of all the creditors, and the impossibility of taking any action without undesirable publicity, left the creditors incapable of giving the Ambassador the necessary full powers.

In his instructions,[1] dated November 30, 1787, Lt.-Col. Cathcart was directed to make his way to Peking; he was, if possible, to arrive without warning at a northern port, Tientsin being specially designated; but, if necessary, might go by land from Canton to Peking. He was there to negotiate for the cession to the British Crown of a depot in which British merchants might store their goods pending sale, and to which Chinese merchants and shipping might resort; in private letters Macao[2] was indicated as a suitable place for such a depot, to be obtained by cession from Portugal, but only with the concurrence of the Chinese Government; in the alternative a site in or near Amoy was indicated as being nearer than Canton to the tea and silk producing districts. In such a depot the Chinese might remain

[1] Cf. Appendix B.

[2] Cf. *antea*, p. 68.

under Chinese jurisdiction, but British subjects were to be subject to their own laws, and the English Chief was not to be held personally responsible for acts not done by himself. If such a depot could not be obtained, the Ambassador was, in short, to get the best terms he could for the regulation of a trade which was so beneficial to both parties.

The frigate *Vestal*, Captain Sir Richard Strachan, Bart., with Lt.-Col. Cathcart and his suite on board, sailed from Spithead 'with the first fair wind' on Friday, December 21, 1787. On the way out, on June 10th, 1788, Lt.-Col. Cathcart died in the Straits of Banka, and was buried at Anger Point on June 16. The *Vestal* returned to England; and the news was received at Canton on August 4th.

APPENDIX A

Preliminary Proposals by Lt.-Col. Cathcart, Aug. 18, 1787

As the Subject of the China Trade is fully before you, it would be imprudent in me to go further into the Policy and Necessity of a Mission, than the Objects referred to me will justify and require.

The Objects of my Enquiry have been principally—as to the Mode in which the Mission should be appointed—and the Place which would best suit the Commerce of Great Britain as a Depot in China.

As to the first Question, I have no Scruple in asserting, that the only Chance of success in negociating with the Court of Pekin will arise from the Mission being in the Name of the King, and that any attempt thro' the Servants of The Company only, would be ineffectual.

This Opinion is supported by the Information of Gentlemen now resident in London, who have been at the Head of The Companys Affairs in China. it also coincides with the Sentiments of the actual Chiefs at Canton, who have seriously recommended the Measure as absolutely necessary in an address to the Court of Directors,[1] dated 5th February 1785, and in a private Communication which I have seen, written about the same Period :— and on a Perusal of the Diaries of the Supracargoes from 1781 to 1786, no one can avoid sympathising for the Situation of these Gentlemen who placed in Offices of great Responsibility and Importance are obliged to submit to the greatest Indignities ; and after all this personal Risque and Humiliation, they repeatedly warn their Employers, of the Probability of a sudden total Loss of this important Commerce.

It is therefore obvious, that every Cooperation by which The Companys Servants at Canton could contribute to the Dignity and Effect of a Mission from the Crown, would be readily afforded.

A Large Frigate seems to me the only proper Conveyance to mark and distinguish a Mission from The King. The Measure being adopted, very little Preparation appears necessary further than the Selection of Officers, and a well considered Letter, accompanied by a Present.

[1] Consequent on the affair of the *Lady Hughes* ; cf. *antea*, chap. xxxix.

The Object of the Mission being to extend our Commerce, under the Protection of the Chinese Government; it appears of the greatest Consequence to avoid, or at least not to press, Requests exciting Jealousy. On this Principle, it would perhaps be the best Policy to leave the Selection of the Place of Depot to the Chinese,—only stating to them that we require a healthy Situation accessible and safe for Shipping, convenient for the Dispersion of our Manufactures and for the Collection of Tea's, Chinaware and other Returns the Produce of the Eastern Provinces; and if they will not grant a convenient privileged Depot, we must remedy as many of the Defects of our present Situation as possible.

If Macoa was ceded to us by the Portuguese, it does not follow that the Chinese would confirm Us in the Portuguese Privileges. The Possession of the Island is not wholely in the Portuguese Hands, and there is only one Port which from its Harbour is important. it would be attended with some Inconvenience, in removing the Hong Merchants from Canton; but their Capitals which have overcome the Local Inconvenience of Canton which is remote from the Raw Silk, China Ware and Tea Countries, might render Macao a valuable Depot, and overcome its Defects.

If Vicinity to the Manufactures and Tea Country, and a more central Situation for the Dispersion of British Commodities were the only Considerations; Amoy possessing a good Harbour, might be the most eligible Situation. But if the Jealousy of the Chinese, shall bear against our getting a Footing in their Empire, and not against the Introduction of our Manufactures into their Country; the Security of our Commerce might be attained, and our great Depot might be placed without the Empire, in a Situation accessible to the Junks of the whole Coast, so that our Commerce would have the double Chance of our Supercargoes in China, and of Chinese Traders;—and if strict Discipline can not be extended to the Fleets of British Ships in the Ports of China, it were better that the Depot was not in their Ports; since we see from the Privileges to early Traders, that the Principles of the Chinese Government are not hostile to the Extension of Commerce, and that the Obstructions and Avoidance by which the Chinese Systematically impede the Trade of Europeans, may easily be imputed to the Use Europeans have made of their Indulgencies.

It is evident we can not expect an Establishment, unless the Assurance of better Control over our own People is promised on this occasion, by His Majesty, and confirmed by the Legislature. How can so regular a Government as that of China, confide in Us at present, when they annually see, fifty or sixty Sail of our

Ships in their Ports, whose Sailors are subject to no Law or authorized Coercion and Subordination? The Canton Letter to the Directors, dated 28th February 1786, Paragraphs 13 to 21 represents this Subject in a very serious Point of View.

After the Outline of a Mission is adopted, it will be a matter of easy Arrangement to settle the Ceremonial and Presents. The Gentlemen to whom I was referred, possess so completely the Subject and Customs of China, that they would be the properest Persons to suggest that Part of the Preparation. I can only say, that however averse I may be to idle Parade, I can not but infer, from a Perusal of different Embassies to Pekin that much of the Success of the Mission now in Agitation depends on the Decorum with which it shall be conducted, and on its Formation and Establishment, which ought to be such as to give no reason to that Court, to conceive itself slighted or insulted. if every Part of the Expence could be ascertained, it would be desirable—but this seems a Service, the Nature of which does not promise to afford the Person employed upon it the Satisfaction I experienced in my late Mission;—to have been able to transact it, without making any Use of the Powers respecting a Contingent-Bill which were confided to Me.

Personal Advantages to me will not be a Subject of Discussion. The Point I feel most important, is the Cooperation of Persons who in the various Contingencies of Situation may assist my Judgement, and enable me to avail myself of propitious Circumstances, if they occur. I shall therefore proceed to state the Persons who would particularly suit my View of a Mission; and it will be remembered, that altho' our Commerce exceeds that of all other European Nations in China, our Facilities of Access are inferior, not having the Advantage of British Missionaries.

. . . . . .

After the Arrival of the Frigate at Canton, and the necessary Information being procured, she might proceed perhaps as far as Tien-sin, within sixty miles of Pekin, this is the Port in the province of Pe-Che-Li, at which Mr. Flint landed in 1759. His was a small Vessel, and was supposed to be lost on her Voyage, returning from thence to Canton. The above is the only English Vessel of which there is any account on the Coast of China, North of Nankin. Mr. Flint returned some years after to Canton by Land, and did not give any Account of the Navigation between Nankin and Tien-Sin.

It seems however to me, that the Mission ought to proceed as far as possible by Sea, towards the North.

APPENDIX B

INSTRUCTIONS TO LT.-COL. CATHCART, NOV. 30TH, 1787

WHITEHALL, 30th Novem[r]. 1787.

SIR,

In addressing you on the subject of the Duty You are now about to undertake, of an Embassy to China, it will be unnecessary for me to enlarge upon the great national Importance of the Trade which has for a Series of Years been carried on between Great Britain and China. But it is necessary to engage your particular attention to those Objects which now conspire to enhance it's Importance:

First; The Measures lately taken by Government for drawing the Tea Trade out of the hands of the Other European Nations, which have answered the warmest Expectations, and doubled, if not trebled, the former legal importation of this Article into Great Britain; and Secondly an attention to the Prosperity of Our Territorial Possessions in India, which would be promoted by procuring a secure vent for their Products and Manufactures in the extensive Empire of China, at the same time that the Produce of such Sales would furnish Resources for the Investment to Europe, now requiring no less an Annual Sum than one million, three hundred thousand Pounds.

Great Britain, however, has long been obliged to pursue this Trade under Circumstances the most discouraging, hazardous to it's Agents employed in conducting it, and precarious to the various Interests involved in it. At Canton, the only Place where His Majesty's Subjects have the Privilege of a Factory, and to which The East India company have by a late Regulation restricted the Trade from their own Settlements; the fair competition of the Market is destroyed by associations of the Chinese, Our Supracargoes are denied open access to the Tribunals of the Country and the fair Execution of it's Laws, and are kept altogether in a most arbitrary and cruel State of depression incompatible with the very important concerns which are intrusted to them, and such as one hardly supposes could be exercised in any country that pretends to Civilization.

Whether these Evils have arisen from any settled Policy of the Imperial Government, or from any ill founded Jealousy of Our National Influence, or whether they are created merely by the Corruption and Abuses of a distant Provincial Administration it will be Your Business to ascertain, as it will be the chief Object of your present Mission to endeavour to obtain a remedy for them. and You will render an acceptable service to your

Country, if you shall be successful in the Accomplishment of His Majesty's Wishes, which I have His Royal Commands to impart to You, together with such farther instructions as may seem best calculated to promote it. At the same time you may proceed upon the Reliance that in an Undertaking both new and delicate, and liable to be influenced by various Contingencies to arise in its progress, every reasonable Latitude will be allowed to your own Discretion.

A common Prejudice has prevailed that the Chinese in general are studious to avoid any intimate connexion or Intercourse with Europeans, and that a similar Principle operates upon the Imperial Government of Pekin. However, altho' Commercial Jealousy, aided by the Tyranny and corruption of distant Delegates, under a despotic Sovereign and the general depravity of the Inhabitants may have had that Effect in the Province of Canton the relations of various Travellers afford the strongest reason to believe, that The Emperor himself is accessible, that the reception of Foreigners at Pekin is courteous, and that the Policy of encouraging foreign Trade is not ill understood there. Without entering into any detail of the Embassies and Travels, which tend to justify this belief; I cannot but refer more especially to the information derived from the Account published by Mr. Bell, who accompanied an Embassy from the Czar Peter the first to the Emperor of China, in the Years 1719, 20, 21, when a Factory was allowed to the Russian merchants even in the City of Pekin, which it may be presumed still continues for the Convenience and Protection of the Caravans, now continually sent from the Russian Dominions.

If Political Jealousy were the chief Principle to excite such Alarm in the Chinese as should lead them to discourage the entrance of Foreigners, it should seem that it would apply with singular force against the Russians, who from the propinquity of their Dominion, the reputed Greatness of their Power, and the Danger of their leaguing with the Princes of those Tartar Countries which have sent forth the former Conquerors of China, might possibly in imagination at least, cause distrust in the reigning Government, or affect it's security.

The contrary is likewise to be inferred from the reputed wisdom of the Chinese Administration: and a National character is not to be formed, nor the dispositions of the superior Government estimated from the Practices of a Sea Port, situated at the most distant extremity from the Metropolis and a Province formerly the seat of Pirates and Robbers.

But if, contrary to these suppositions and inferences, such Jealousy should really exist, as it can proceed only from fear, and a sense of their own internal Weakness, natural to a vicious

People and a despotic Power, it will depend upon your management to obviate it by Declarations the most free and unqualified, that in seeking a connexion with China, We have no view but commerce, to be protected by the Chinese Government, subject to its Laws and Regulations, and formed upon a permanent Principle mutually beneficial.

It is supposed that former Endeavors which have been made by the English, or other European Companies, to represent their Grievances at the court of Pekin, and obtain defined Privileges for their Trade, have failed from the intrigues of the mandarines and Merchants of Canton and from the inferior rank or character of the persons who have been on such commissions.

It has therefore been determined to attempt an Embassy to the Emperor himself in the name of His Majesty The King of Great Britain. In which view, it is presumed, that a Gentleman of honorable Birth, as also a member of the Legislative Body would be most likely to have a favorable reception from a proud and ostentatious People, accustomed to think meanly of the commercial Character; the propriety of this distinction is enforced by the decided Opinion of the most respectable Persons, who have been experienced in the Company's concerns at Canton, and Witnesses of the Vexations under which they labor.

I observe that in the Year 1753, an Ambassador from The King of Portugal, sent for the purpose of obtaining some Privileges for the Church, was allowed to proceed without interruption from Canton to Pekin, and was treated with great Honor. But I must leave it to your own discretion whether to pursue that route or not, observing only that it is to be expected every obstacle will be thrown in your way from that quarter, and that even the publicity of Your Mission might give birth to such Chicanery, as would greatly embarras, if not totally defeat the purpose of it.

Objections of a similar Nature would lie against your Proceeding with a Russian caravan, and the newly discovered communication thro' Thibet from Bengal seems too long and hazardous to be entered upon, as well as very doubtful in the result.

I am of opinion therefore, that you should if possible proceed directly by sea to some Port on the East or north East coast of the Chinese Empire, and request a safe conduct for your advance to the Capital, in order to deliver your Credentials with the Letter from Your Royal Master to His Imperial Majesty. This Precaution will be absolutely necessary, if, as I presume to be the case, no ambassador enters the Chinese Dominions, but with permission previously obtained.

If it shall be absolutely necessary to stop at some Southern Port of China before you proceed to the Northward; you will

touch at Macao or Canton, where you will require and collect from the Company's Council, or by private enquiry, such facts and information as may be useful to you in the prosecution of the Objects of your Embassy, and receive such further aid as may be necessary to enable you to proceed from thence to the Northward. If some cogent reason should occur to render an approach to Pekin by a Northern Port ineligible, You will be under the necessity of proceeding by Land from Canton, and must require such further Aid as may be necessary to enable the Embassy to pursue that Route.

His Majesty, from a hearty desire to promote the present undertaking, and in order to give the greater Dignity to the Embassy, has been graciously pleased to order one of His own Frigates to convey You and your suite to the coast of China, and it will be left to your option to detach one of the Lieutenants bearing His Majesty's Uniform, to accompany the messenger who announced at Pekin your arrival on the coast. Perhaps in your Progress to Pekin, you may meet with some intelligent Portuguese, Spanish, or Italian Missionary, who may be free from any national Attachment or Prejudice, and who may be a proper Person to be employed in your Service.

Should your answer be satisfactory, and I will not suppose the contrary, You will then assume the Character and Public Shew of an Ambassador, and proceed to Pekin with as much ceremony as can be admitted without causing a material Delay, or incurring an unreasonable Expence. You will procure an audience as early as possible after your arrival, conforming to all Ceremonials of the Court, which may not commit the Honor of Your Sovereign, or lessen your own Dignity, so as to endanger the Success of Your negotiation. Whilst I make this reserve I am satisfied you will be too prudent and considerate to let any trifling Punctilio stand in the way of the important Benefits which may be obtained by engaging the favorable Disposition of The Emperor and His ministers.

It is not unlikely that his curiosity may lead to a degree of familiarity with you, in conversing upon the manners or Circumstances of Europe and Other Countries; and as despotic Princes are frequently more easy of Access than their ministers and Dependants, You will not fail to turn such a Contingency to proper Advantage. I do not pretend to prescribe to you the particular mode of your Negotiation: much must be left to your own Circumspection, and the Judgment to be formed upon Occurrences as they arise. But upon the present view of the matter, My Opinion is briefly this, that instead of attempting to gain upon the Chinese Administration by Artifice or Deception, or by Representations founded upon the intricacies of either

European or Indian Politicks, you should honestly and fairly state, after the general Assurances of His Majesty's friendly and pacific Inclinations towards The Emperor, and His Respect for the reputed mildness and Equity of His Administration, FIRST, the mutual Benefits to be derived from a Trade between the Two Nations, in the course of which We receive, besides other Articles, to the amount of Twenty millions of Pounds W^t^. of a Chinese Herb, which would find no other vend, as being little used by any other country, European or Asiatic, and for which We return Woollens, Cottons, and Other Articles, useful to the Chinese, but the greater part is actually paid to China in Bullion.

SECOND. That the great Extent of Our Commercial Concerns in China requires a place of Security as a Depot for our Goods which cannot be sold off, or shipped during the short season that is allowed for Our Shipping to arrive and depart; and that for this purpose We wish to obtain a Grant of a small tract of Ground, or detached Island in some more convenient Situation than Canton; where our Warehouses lie at a great distance from Our Ships, and We are not able to restrain the irregularities which are occasionally committed by the seamen of the Company's Ships and those of Private Traders.

THIRD; That Our Views are purely commercial having not even a Wish for Territory. That We desire neither fortification nor defence, but only the Protection of the Chinese Government for our merchants or their Agents in trading, or travelling through the Country, and to secure us against the Encroachments of Other Powers, who might ever aim to disturb Our Trade, and you must here be prepared to obviate any Prejudice which may accrue from the Argument of Our present Dominion in India, by stating it to have arisen almost without our seeking it; from the necessity of defending Ourselves against the Oppressions of the revolted Nabobs who entered into cabals to Our Prejudice with other nations of Europe, and disregarded the Privileges granted Us by different Emperors, or by such other Arguments as your own Reflexions upon this subject may suggest.

This Topick I have reason to believe will be very necessary to enforce by every means in your Power, as it is the great Object of Other European Nations to inspire not only the Indian Powers, but likewise The Emperor and ministers of China, with an Idea of Danger in countenancing the Subjects of Great Britain, it being the intention of that country to aim at extending it's Sovereignty in every Quarter. As nothing can be more untrue than these representations, it will be your peculiar care to counteract the Effects of them.

The difficulties and vexations under which Our Trade has

long labored at Canton, must be forcibly represented as proceeding from the malversations of the Viceroy and Merchants and ministers of Justice, in contravention of the Orders and Intentions of The Imperial Court, all which His Britannic Majesty chose rather to lay before The Emperor Himself, in full confidence of Redress, from His Wisdom and Justice, than suffer his Subjects to take any measures for redressing themselves, which might give disquiet to any Branch of the Imperial Government.

Should a new Establishment be conceded, you will take it in the name of The King of Great Britain.

You will of course endeavor to obtain it in the most beneficial terms, with a power of regulating the Police, and exercising Jurisdiction over Our own Dependents, for which competent Powers would of course be given from Our own Legislature, so as effectually to prevent or punish the Disorders of Our People, which the Company's supra cargoes in their limited Sphere of Action must see committed with impunity. Should it be required that no native Chinese be subject to be punished by Our Jurisdiction, or should any particular modification of this Power be exacted, it is not material to insist upon it, provided British Subjects can be exempted from the Chinese Jurisdiction for Crimes they may commit and that the British Chief be not held responsible if any culprit should escape the pursuit of Justice, and after search has been made by British and Chinese Officers acting in conjunction.

If the Emperor should be inclined to allow such an Establishment, great care must be taken in fixing upon the Situation that it be such as may suit the conveniency and safety of Our Shipping, that it may facilitate the Vend of the Goods We may import there, and that it may be near the Countries where the best Sorts of Tea are produced which are described as lying between the Twenty seventh and Thirtieth Degrees of North Latitude. I mention these Points as being certainly consequential in themselves; at the same time I am sensible that the Choice of a Place, if you should be so fortunate as to have the Option left to you, must be governed by a Variety of Considerations, to which few, if any, in this Country can be totally competent, and you must therefore be regulated by the best Information You are able to obtain from Persons you will meet with abroad, conversant on the subject, or by Circumstances to arise, as You proceed in the business.

If, on the other hand, all your attempts to obtain a new Establishment should be decidedly ineffectual; You must turn your whole Attention to the relief of Our present Embarrassments at Canton, by an Extension of our Privileges, and a

Revision of the unjust Proceedings which have taken place there to Our prejudice and discredit. And whatever may be the decision of the Imperial Government, unless, indeed it should be a rejection of all your requests, it will be desirable to obtain it in writing, under such formalities as may enable Us to carry it with some Eclat to the Province where the illtreatment of Our Subjects has originated.

It is necessary you should be on your Guard against one stipulation which may perhaps be demanded of you, that is for the exclusion of the Trade of Ophium from the Chinese Dominions, as being prohibited by the Laws of the Empire. If this subject should come into discussion, it must be handled with the greatest circumspection. It is beyond a doubt, that no inconsiderable portion of the Ophium raised within Our Indian Territories actually finds it's way to China where the vicious manners of the People call for an increasing use of that pernicious Drug. But if it should be made a positive requisition, or an Article of any supposed commercial Treaty, that we shall not send any Ophium to China; you must accede to it, rather than risk any essential benefit by contending for a liberty in this respect, and the sale of Our Ophium in Bengal must be left to take it's chance in an open market, or to find a consumption in the dispersed and circuitous traffic of the Eastern Seas.

In case the Embassy should have an amical and prosperous termination it may be proposed to His Imperial Majesty to receive an occasional or perpetual minister from The King of Great Britain and to send one on his own part, to the Court of London, in the Assurance that all proper Honors will be paid to any Person who may be deputed in that sacred character.

I have now, Sir, in conformity to His Majesty's Commands, laid before you every Object of leading importance, to which your present Deputation is directed. You will have free access before Your Departure, under the directions of the secret Committee, to the East India Company's Correspondence with their Supracargoes at Canton; and copies will be made for your Use of any particular papers you may wish to carry with you. Agreeably to your request, you will be permitted to take along with you

Lieutenant Young,
Captain Agnew,
Ensign Davis
Dr. Ewart, and
Mr. Galbert, a

Gentleman whom you state to be conversant in the Chinese Court Language, and qualified to act as your Interpreter.

Throughout the course of your Proceedings you will take every possible Opportunity that may arise for a communication with Earl Cornwallis, Governor General of India, and will, to the utmost, be guided by the Instructions you may receive from Him.

I would recommend you keep a diary of Occurrences from the time of your Arrival in China and enter in it all Circumstances or Occurrences upon Political and Commercial, and even Nautical Subjects; It is particularly worthy your Enquiry, whether it may not be practicable to encrease our present Exports to China, either in the Assortments usually sent, or in any other Products or Manufactures of Great Britain which might be favorably received by the Chinese. And you will naturally, in the course of your Residence in China, extend your Remarks, as far as can be done without exciting Jealousy which must be carefully avoided, to every Article likely to throw a light upon the present Strength, Policy and Government of that Empire, now less understood in Europe than they were in the preceding Century.

It would be likewise desireable to ascertain whether any, and what intercourse has taken place of late Years, between The Emperor of China and any other European State. You are to carry with you some considerable Presents for The Emperor and the Chief Persons of His Court. If you should find it necessary to increase this designation, a Reliance is placed in your discretion, that you will not be lavish in expense where you can in reason and propriety be frugal, and your Draughts upon the Company, or the Treasury at Canton, will be duly honoured.

Sincerely wishing you a prosperous Voyage and compleat success in the very important Object of it.

APPENDIX C

Letter from the King to the Emperor of China, Nov. 30th, 1787

George The Third, by the Grace of God King of Great Britain, France and Ireland, Defender of the Faith &c. &c. &c.

To Kien Long, the Most August Sovereign &c. &c. &c. Emperor of China. As it is a truth established by the practice of Your Majesty's Imperial Predecessors, and confirmed by the experience of Your own long and prosperous Reign over the extensive Empire of China, that the Establishment of a well regulated Trade between Nations distantly situated, tends to Their mutual

happiness, invention, industry and Wealth; and that the Blessings which the Great God of Heaven hath conferred upon various Soils and Climates are thus distributed among His Creatures scattered over the whole Earth; We are persuaded that Your Royal Mind has long ago been convinced of the Policy of encouraging such an interchange of Commodities between Our respective Subjects, conducted upon fair and equitable principles, consistent with the honor and safety of both Sovereigns. It is a subject of regret to Us, that no Intercourse has hitherto taken place between Your Majesty and Us, in order to ratify and invigorate the friendship which it is the anxious wish of Our heart to maintain, and to afford a speedy remedy to all those inconveniences or misunderstandings which are liable to arise between Our Subjects in mercantile Transactions of so much magnitude.

Under these circumstances We have judged it expedient to depute an Ambassador to Your Sublime Court.

For this Commission We have chosen

Charles Cathcart Esq^r. a Gentleman of Noble Birth, and a Member of the Legislative Body of Great Britain, with Credentials under the Great Seal of Our Kingdom and Our Own Sign Manual; To whom We intreat Your Majesty to give a gracious reception and a favourable ear to his representations.

We rely on Your Majesty's wisdom and justice, that you will afford Our Subjects, as long as They conduct themselves with propriety, a secure Residence within your Dominions, and a fair access to Your Markets, under such Laws and Regulations as Your Majesty shall think right, That their Lives and Properties shall be safe under your Imperial Protection: That one Man shall not suffer for another's Crime, but that every necessary Measure shall be taken on the part of Your Majesty's Government, as it certainly shall on Ours, to bring to condign punishment, all Persons who may transgress the Laws, and any way disturb the Peace and Friendship subsisting between Us.

We have instructed Our Ambassador to take every Method in his power to mark Our regard and friendly disposition to Your Majesty, and it will give Us the utmost Satisfaction to learn that Our wishes in that respect have been amply complied with.

May the Almighty have you in His Holy Protection.

Given at Our Court at St. James's &c.

APPENDIX D

Instructions to Capt. Sir R. Strachan, Bart.

Whitehall, 30th Nov., 1787.

Sir,

The Lords Commissioners of the Admiralty having in pursuance of the King's pleasure caused His Majesty's Ship the *Vestal* under your command to be fitted for distant Service, and directed you to obey such Orders and Instructions from His Majesty, as may be communicated to you by me.

I am now to acquaint you, that His Majesty has thought fit to appoint the Honorable Lieu[t]. Colonel Cathcart to be His Majesty's Ambassador to His Imperial Majesty the Emperor of China, and to signify to you His Majesty's Commands, that as soon as the Lieutenant Colonel shall have embarked with his Suite, Servants and Baggage, and the Ship you command shall be ready for the Sea, you are to proceed in her with as much expedition as possible to some Port on the East or North East Coast of China, as near as conveniently may be to Pekin, the Capital of that Empire, where you are to explain to the Governor or Commanding Officer, the occasion of your proceeding thither, and to solicit his permission to continue there until your arrival shall have been announced at Pekin, and that he shall have received directions concerning You.

From the system of the Chinese Government, it is probable that the Lieutenant Colonel will meet with such Obstructions as may render it imprudent for him to attempt to proceed from thence to Pekin, without leave from the Emperor, and if that should be the case, he will find it necessary to dispatch a Messenger thither for the purpose of obtaining it. The most proper Person to be employed upon that Service appears to be one of the Lieutenants of the *Vestal*, and you will in consequence direct the officer you may fix upon, to follow such Instructions as the Lieutenant Colonel may furnish him with for his guidance whilst he shall be so employed.

As Circumstances may occur previous to your Arrival on the East, or North East Coast of China which may incline the Lieutenant Colonel to call at Canton, or some other Port on the Southern part of the Coast of that Empire. It is His Majesty's Pleasure that you do repair with him to such Place as he may fix upon; and, if he should upon his arrival prefer remaining there, instead of proceeding farther on the Coast you will in such Case comply with his desire, and which you will also do provided he should be disposed to dispatch one of your Lieutenants from

thence to Pekin for the purpose of announcing his Arrival; or, in the event of any Service arising in the course of his Negotiation which may render it necessary for him to employ the Ship under your Command upon any other part of the Coast of that Empire.

You will consider yourself as attached to this particular Service, until the Lieutenant Colonel shall have finished the Business of his Embassy, and shall be desirous of returning to England, when you will make the best of your way with him to the first Port you can reach, and transmit an Account of your Proceedings. From the Character which you bear as an Officer, and which cannot be more strongly marked than by your being nominated for this Service, I have every reason to be satisfied that your conduct in execution of it will be such as will merit approbation; But however satisfied I may be upon this point, I cannot refrain from recommending to you to avoid by every possible means during your continuance in China any Proceeding which may be likely to involve you in Controversies with the People of that Country, and to injoin you to conform yourself (and take care that the Officers and Company of the Ship shall do the same) upon all occasions to the Rules and Regulations which the Government may have thought fit to establish, as any disputes or disagreements, or even irregularities, might be productive of the most pernicious Consequences and indeed destructive to the Objects of the Embassy.

APPENDIX E

SUPPLEMENTARY INSTRUCTIONS TO SAME

WHITEHALL, 30th Nov., 1787.

SIR,

Although it is to be hoped that the Indisposition under which Lieut. Colonel Cathcart now labours, will not be attended with any serious Consequences, yet it becomes necessary that you should be instructed in what manner you are to govern yourself should such an event take place; I am therefore to signify to you, that in case of the Lieut. Colonel's demise previous to your arrival in China, you are the instant it may happen to make the best of your way back to the first Port you can reach in England, and to transmit information thereof to me; But if he shall accompany you to the place of your destination and shall have proceeded to carry into execution the duties of his Mission the conclusion of that business on his demise will fall under the management of his Public Secretary, whose applications to you under such Circumstances, on any points of Service upon which

the Lieut. Colonel has been instructed to call for your assistance, are to be attended to by you, and upon his deeming his Services no longer necessary in China, you are to return with him to England in like manner as you are instructed to do should the Lieut. Colonel continue in a situation to finish the business of his Embassy.

APPENDIX F

Lt.-Col. Cathcart's Credentials, Nov. 30, 1787

GEORGIUS TERTIUS, Dei Gratiâ Magnae Britanniae, Franciae et Hiberniae Rex, Fidei Defensor, Dux Brunsvicensis et Luneburgensis, Sacri Romani Imperii Archi Thesaurarius et Princeps Elector &ca. &ca. &ca. Omnibus et singulis ad Quos praesentes hae Literae pervenerint, Salutem. Cum Nobis et Bono Fratri Nostro Kien Long, Totius Chinae Imperatori &ca. &ca. &ca. in Subditorum utriusque Commoda visum sit idoneum aliquem Virum, Industriâ, Fide et Rerum Usu Nobis probatum nominare, qui ex Aulâ Nostrâ Legatione fungeretur apud dictum Imperatorem; ad obtinendam majorem Securitatem Subditis Utriusque Regni in exercendis Commercii rebus, et ad amicitiam perpetuam inter Nos cultivandam; Hinc est quod Nos ad Negotium tam arduum transigendum Fidelem et Dilectum Nostrum Carolum Cathcart nominavimus, fecimus, constituimus, sicut per praesentes eundem nominamus, facimus et constituimus verum Nostrum atque indubitatum Legatum apud dictum Imperatorem; Dantes et concedentes eidem omnem et omnimodam Potestatem, Facultatem, Authoritatemque cum Ministro, Ministrisve Plenipotentiariis dicti Boni Fratris Nostri congrediendi, colloquendi, tractandi, atque Tractatum conficiendi, mutuo tradendi recipiendique spondentes et in Verbo Regio promittentes Nos quaecunque per dictum Legatum Nostrum Vi praesentium concludi et signari contigerint, rata, grata et accepta omni meliori modo habituros, neque passuros unquam ut in Toto vel in parte violentur, aut in Illis in contrarium eatur. In quorum omnium majorem Fidem, et Robur, Praesentibus, manu Nostrâ Regiâ signatis, Magnum Nostrum Magnae Britanniae Sigillum apponi fecimus. Dabantur in Palatio Nostro Divi Jacobi 30° Die Mensis Novembris Anno Domini Millesimo, Septingentesimo Octogesimo septimo, Regnique Nostri vicesimo octavo.

XLIV

PROPOSED IMPERIAL AUDIENCE, 1789

The four remaining members of the Select Committee of 1788 continued to be the Committee through 1789, with Mr. John Harrison as President. The books were opened on March 23rd with the following balances:

	Tls.	Tls.
Cr. by Silver in Treasury	39,486	
Tea in stock, 10,928 piculs	148,713	
Owing by Chinese merchants	305,502	
,, Factory	7,262	
		500,963
Dr. to Owing to Chinese merchants		144,332
Credit Balance		356,631

The Company had 21 ships (18,144 tons) at Canton in the season 1789; another ship, the *Vansittart*, 828 tons, was wrecked on the coast of the Island of Banka, a total loss, but 33 chests of silver were salved from her, of which 11 were claimed for salvage. Including her 22 chests the ships brought in silver 459 chests containing 1,600,992 oz. = 1,836,000 dollars = Tls. 1,321,920. English products in the ships realized Tls. 1,130,874, as shown on p. 173, and Indian produce on the Company's own account Tls. 164,925. Against bills on London and certificates, from engagements with the Indian Government, and from freight, a total of Tls. 1,745,470 was received into the treasury at Canton. The investment for the 21 ships amounted to Tls. 4,433,431. The factory expenses were Tls. 45,469, not including any payments to supercargoes and writers. The out-turn of the cargoes which arrived by the 21 ships was as shown on p. 173, the prime cost being the value free on board, with no addition for freight, primage, insurance, interest, or general overhead expenses. This table is significant. English products continue to be sent out at a loss (counting the tael at 6*s.* 8*d.*), realizing less than the prime cost; and if the Company could make a profit on Indian produce, it is to be assumed that the country trade did as well.

The silver sent in the ships was invoiced at 5*s.* 1½*d.* per oz. The rate of exchange was lowered to 5*s.* 3½*d.* per dollar for 365-days bills on London; bills for the equivalent of 36,070 dollars were granted at 5*s.* 7*d.* payable at 730 days after sight.

		Prime cost.	*Realized.*	*Profit + Loss —*
		£	Tls.	Per cent.
Cloth, 3,600 pieces		79,637	234,793	— 1·7
Long Ells, 93,640 pieces		237,060	701,092	— 1·4
Camlets, 640 pieces		5,169	23,447	+ 51·0
Tabinets, 140 pieces		1,355	4,066	+ 0·0
Lead, 1,401 tons		37,842	98,752	— 13·0
Copper, 180 tons		17,332	54,392	+ 4·6
Tin, 55 tons		4,488	14,332	+ 6·5
		382,883	1,130,874	— 1·6
Cotton, 6,468 piculs	Rup.	128,330	Tls. 90,552	+ 116·0
Pepper, 4,958 „	$	72,283	„ 74,373	+ 43·0
	Tls.	93,738	Tls. 164,925	+ 76·0

The supercargoes were evidently not at home in the use of the decimal point; they had it in their tael accounts, but avoided its use even there, heading the fractional columns 'mace', 'candareen', and 'cash', the Portuguese and pidgin-English names for the tenth, hundredth, and thousandth part of a tael. Their account for bills was kept in dollars, the coins which they handled; and in this the fractional column is headed with the number of units contained in the rate of exchange. When the rate was 5*s.* the fractions were 'the 60th parts' of a dollar; at 5*s.* 6*d.* they were 'the 66th parts'. In this season, for 730-day bills (exchange 5*s.* 7*d.*) they were 'the 67th parts'; for 365-day bills (exchange 5*s.* 3½*d.*) they were 'the 127th parts'.

The trade at Canton in 1789 was as follows:

		Ships.	*Cotton.*	*Tea.*	*Raw Silk.*
		No.	Piculs.	Piculs.	Piculs.
English	Company	21	65,426	129,847	1,620
	Country	37	143,952	728	2,371
American		15	17,411	23,199	660
French		1	..	2,207	118
Dutch		5	..	38,302	331
Danish		1	..	13,297	4
		80	226,789	207,580	5,104

At Macao there were in addition 2 English country ships, besides 3 Portuguese from Lisbon. The American ships (2 brigs included) did not generally exceed 300 to 350 tons; they brought 2,055 piculs of ginseng and 17,411 piculs of cotton; of the two products, 5 ships brought only ginseng, 7 only cotton, 2 brought both, and one brought neither; and it may be assumed that the cotton was from Indian ports. According to the market report the price of ginseng was Tls. 40 a picul. Two of the American ships were 'from Mauritius manned by French Men'; and one of the two was dispatched to Cochin-China and Mauritius, and was noted as being 'a French Ship under American Colours'; there seems no reason for this, as there was not yet any friction between England and France. A third American ship, the historic *Columbia*, Captain Robert Gray, arrived at Whampoa on November 19th; 'she was fitted out from New York in December 1787 for the north-west coast of America, from whence she is just now arrived'; histories tell us that the Columbia river was discovered in 1792 by Captain Robert Gray of the ship *Columbia*; but, in 1789, her sole cargo inwards was reported to be 287 piculs of ginseng, with no furs.

The Select Committee made their winter contracts in March. They then had a stock of 18,000 chests, made contracts for 61,500 chests, and a few days later bought further 3,733 chests. When the 'order of investment' was received by the first ships of the season at the end of August, it was found that no Bohea was to be sent, and that a much smaller quantity of Singlo was wanted than usual; as the Committee had large stocks of Bohea (3,300 chests) and large contracts for Singlo (23,000 chests), they were in a difficulty; but ultimately they were obliged to disregard their orders and send what they had contracted for.

The English woollens continued to be sold in veiled truck under contract in advance at fixed prices and in fixed proportions:

> Puankhequa was then asked what further quantity of Tea he would engage to deliver us, at the same Time we reminded him that as we had at his particular Request given him $\frac{5}{16}$ of the Woollens, we expected that he would furnish us with a considerable Share of the different Assortments of Tea that we might require.

The camlets which made so handsome a profit were of a new kind, woven or finished in imitation of the Dutch. The tabinets were an experiment: they were taken at exact cost price, but were not approved. The first shipment of English tin was made this season; it was considered finer in grain and harder than the Banka tin which had previously supplied the market, and commanded a higher price, Tls. 15·20 per picul; and the Committee considered that the market might absorb 750 tons a year, instead of the 50 tons now sent.

Lord Cornwallis sanctioned a resumption of drawing rupee bills on Bengal to a limit of 10 lakhs of rupees; and he made agreements for paying silver into the Canton treasury for a further sum of 15 lakhs; the rate of exchange under the agreements was fixed by the Governor-General at 37½ new Spanish dollars per 100 current rupees, payable at Calcutta half in cash, half in interest-bearing certificates; but for bills, at 30 days cash, the Select Committee settled the exchange at 40 dollars per 100 current rupees.

The supercargoes below the Committee, receiving less commission than their seniors, had been permitted to act as agents for consignors of cargo and specie from Indian ports, receiving commission for such agency.[1] In their instructions for the season 1789 the Court forbade this practice; but the Committee assumed authority to permit their juniors, during this season, to carry through uncompleted business. Six junior supercargoes were affected by this order. The natural effect of the prohibition, not foreseen by the Court, could only be to increase the number of private merchants, against whose continued stay in China the Company's agents always protested. At that date, the summer of 1789, the only 'private English' were Mr. Daniel Beale, British subject and Prussian Consul, and Mr. John McIntyre,[2] permanently resident at Macao.

On the arrival of the first ships there was some delay before the Committee could return to Canton.

Aug. 30. Mr. Harrison informed the Committee that he had received a Chop informing him that in Consequence of a new Hoppo not having yet arrived, and the Foyuen being absent, the Business of the Europeans

[1] Cf. *antea*, p. 124.

[2] Cf. *antea*, p. 86.

came under the Management of the Vice-roy of the Province, who had established some new Regulations, and ordered that in future every Nation must apply to the Procurador of this City [Macao] who would obtain us Permission to return to Canton from the Quong-Mun-Foo of Casa Branca.

The Procurador made difficulties because the Chop to him had specified that the permission was to return for a stay of thirty days, and he could not be certain that this limit would not be exceeded—he knew in fact that the stay would be for at least seven months. On August 22nd the Committee had ' dispatched the Compradore to Canton to procure our Chop and Boats ' ; and it was on September 22nd that, having obtained their Chop direct from the Assistant Magistrate at Casa Branca, they were able to leave Macao. In the interval, before their arrival at Canton, seven of their ships had arrived, of which five had been measured.

We have above the word ' comprador ' used in a sense which is not that of a purveyor. He may have been only a major-domo, but the term seems to be used in the second modern sense of ' chief cashier '.

The usual annual stoppage of trade, to prevent the revenue from showing too marked an increase, lasted this season from October 2nd to November 12th.

In October, during this period of idleness, there was a serious affray between the English and Dutch sailors on Banksall Island, in which each side accused the other of drunkenness—the fact being, probably, that it was true of both. The sale of liquor on shore was, on the annually renewed demand of the supercargoes, strictly prohibited by the Chinese authorities ; and the only significance in this affray was in the incidental references to the constant sale by Chinese petty officials. On October 13th the Dutch Commodore wrote to the Dutch Chief :

I go ashore myself every Sunday to prevent my Officers from selling Liquor, which obliges the English Sailors to get it at Danes Island from the Mandarin at a high price.

In another connexion, on December 14th, the English Commodore wrote to the Select Committee :

The Committee of East India Commanders assembled on board this Ship to hear Complaints, rectify Abuses and punish Offences committed

on board the Ships of the Fleet, having received Information of a Still being erected at Danes Island abreast of this Ship, and in public Sight of the Shipping, being on a Stage erected over the Water, for the Distillery of Spirituous Liquors, and the Committee judging the Seamen of the Fleet are much intoxicated by the Produce of it, and their Health suffering exceedingly by it, I am requested by the Committee to represent this Nuisance to you, in Hopes of your Assistance and Interference in removing it.

Mr. Harrison requested Munqua, the senior Hong Merchant, to take the necessary steps to remedy the commanders' grievance, but there is no record that any result followed.

In October a most astounding proposal was made to the Select Committee, involving nothing less than a visit to Peking and an audience of the Emperor, apparently just the opportunity for the presentation of their grievances which it had been hoped might be found in the embassy of Lt.-Col. Cathcart.

In Consequence of a Message delivered by Munqua from the Hoppo, shortly after our Arrival from Macao, that he was desirous of having an Interview with the Chief as he had something of Importance to communicate, Mr. Harrison accompanied by Mr. Bruce waited on him at the first Hoppo House; when they were informed, that as the Emperor had a few Days since entered into his eightieth Year, there would be at the next Anniversary great Rejoicings all over the Kingdom, and Deputations would be sent from every Part to congratulate him on the Occasion, and proposed that two Persons of each Nation might be deputed to go to Pekin, to join in their Congratulations, that every Expence should be defrayed by Government, and the greatest Respect and Attention paid to the Gentlemen during the Journey. We were at a loss to know what Reply to make to so unexpected a Request, which militated so strongly against their established Maxim. We informed him that it should ever be our Study to shew every Mark of Deference and Respect to their Government, but we could not at present give him Assurances that any Person would engage to go, and from the Diffidence they had ever entertained of Europeans, and the Caution they had invariably observed in not admitting them to have a Knowledge of their Country, they might be apprehensive it would not be permitted them to return: he assured us we need be under no Apprehension on that Head. We likewise observed to him that no Gentleman would voluntarily or readily submit to the humiliating Situation of prostrating himself in the Presence of the Emperor, which we understood was a Custom that could not be dispensed with: he confirmed our last Observation, but seemed to think there was but little Distinction in our Modes of Salutation. It appeared evidently

from the Conversation that it was a favorite Project of the Vice-roy, which he thought would gain him much Credit at Court, and prove his Influence over the different European Nations, for we understood he had not yet apprized the Emperor of his Intentions, and was more than probable might not meet with his Approbation. As the Hoppo pressed us to give an Answer to his Proposal, Mr. Bruce made a Tender of his Services, provided he could be satisfied there would be nothing degrading in the Treatment he might meet with: he seemed pleased with his Acquiescence, and informed us he should immediately report to the Vice-roy what had passed on the Subject.

XLV

THE SECRET COMMITTEE, 1790

The Select Committee for 1790, with Mr. John Harrison as President, consisted of six members, the two next senior supercargoes having been added to it. The books were opened on February 18th with the following balances:

	Tls.	Tls.
Cr. by Silver in Treasury . . .	155,107	
Owing by Chinese Merchants .	73,109	
		228,216
Dr. to General Charges . . .		4,888
Credit Balance .		223,328

The Company had 25 ships at Canton during the season, 5 being from Botany Bay. Their cargoes realized: woollens, Tls. 1,192,263; Manchester cottons, Tls. 2,000; lead, Tls. 133,338; copper (250 tons, invoiced £23,435), Tls. 75,524; tin (783 tons, invoiced £59,154), Tls. 218,076; total English products, Tls. 1,621,201. Indian products: cotton, Tls. 131,744; pepper, Tls. 79,928; total, Tls. 211,672. The ships had loaded on them in London silver to the amount of Tls. 2,315,520, but from seven ships silver valued at Tls. 209,479 was taken off by the Council of Fort St. George under the instructions of the Governor-General, leaving Tls. 2,106,041 for the Canton treasury. Into that treasury was received silver, 1,798,237 dollars against 365-day bills on London at 5*s.* 3½*d.*, 177,748 dollars against 730-day bills on London at 5*s.* 7*d.*, 303,484 dollars against certificates, and Tls. 434,922 under engagements with the Governor-General at Fort William; a total of Tls. 2,076,140. The investment for the 25 ships amounted to Tls. 4,668,136. The factory charges were Tls. 51,382.

The experimental shipment of Manchester cottons (50 pieces of Denims and 50 pieces of Royal Ribs) was invoiced at £612, and was sold for Tls. 2,000, about prime cost. They were 'not

approved of; they are thought much too costly and not held in such Estimation as many of their own manufactures'. The trade of Canton in 1790 was as follows:

	Ships.		*Cotton.*	*Tea.*	*Raw Silk.*	*Nankeen.*
	No.	Tons.	Piculs.	Piculs.	Piculs.	Pieces.
English { Company	25	19,192	45,823	159,595	1,527	40,000
English { Country	21	about 10,000	124,558	2,519	1,216	56,500
American	6	1,970	1,432	5,575	184	166,700
French	2	950	411	3,316	120	154,500
Dutch	3	2,090	..	9,964	49	22,200
Danish	1	1,110	..	3,905	..	70,000
Spanish	1	300	..	2	..	..
	59	35,612	172,224	184,876	3,096	509,900

Of raw silk the English Company shipped only the superior kind from Nanking; that by the English country and the foreign ships was the cheaper Canton silk. Of the English Company's ships 22, and of the English country ships 12, are noted as being 'coppered'. The American shipping consisted of four ships of 225, 290, 360, and 820 tons, one brig of 190 tons, and one schooner of 85 tons, the two last 'from the North West Coast of America', with furs.

The *Massachusetts* of 820 tons was sold for 65,000 dollars to the Danes; and they sold their ship, the *Queen Juliana Maria*, 1,110 tons, which had been dismasted and much damaged, for 12,000 dollars to the captain of the American brig. The American ships brought 399 piculs of ginseng, market price at Canton now Tls. 30.

Of French ships there had been in 1789 only one at Canton, besides two under American colours but manned by Frenchmen; and in 1790 only two, one from France, one a country ship from Mauritius. An explanation may perhaps be found in a sentence in a report of the English Committee to the Court, dated January 7, 1791:

> From the Uncertainty of the Situation of Affairs in Europe, we have not thought it adviseable to be more explicit by this Conveyance.

Also on January 15th it is noted that information was received:

> that War was beyond a doubt with Spain, and France seemed willing to help her.

There is this year a reference to the Secret Committee, superior to the Select Committee, but contained in it:

> Sept. 26. Received the following Packets . . . two Secret, One to the President and Select Committee of Supracargoes at Canton in China, the other to the Secret Committee of Supracargoes at Canton.
>
> Sept. 27. The Committee assembled to open the Packets, also requested the attendance of the Supracargoes below the Secret Committee, to lay before them the Instructions received.

The tin was well thought of; but the supercargoes advised the Court to cease sending copper.

Rubbish tea was still returned in some quantity, to a value this season of Tls. 11,039, about the usual amount; in this Shy Kinqua's account was heaviest:

	Tls.
Damaged and destroyed in Europe	3,597
Rubbish	317
Hyson reduced to Twankay price	4,648
	8,562

As was customary, the Chinese merchants admitted their liability. This season a tea expert, Mr. Arthur, was at Canton to assist the supercargoes by testing the teas delivered and comparing them with the samples on which they were bought. On his reports several chops were rejected, one was reduced in price Tls. 10, and many were reduced one, two, or three taels; but teas were still bought at a standard value for each sort, and almost invariably in conjunction with a sale of woollens or other inward cargo.

In 1789 the Hong Merchant Chowqua died, and was succeeded by his son, also styled Chowqua; in 1790 Shy Kinqua died, succeeded by his son—Gonqua his name, but transactions were still recorded under the name Shy Kinqua. The Hong Merchant Eequa[1] in 1790 went bankrupt, owing over 250,000 dollars to Parsee merchants for transactions in cotton; he was arrested by the authorities, and a decree was issued in January 1791 that 'the other Merchants shall pay the amount in five years, in six payments, the first to commence in March next'.

The proposal that two of the supercargoes should visit Peking for an audience of the Emperor seems to have gone to the head

[1] Cf. *antea*, pp. 129, 138.

of the Court of Directors, who saw in it a prospect of an improvement in the conditions under which the trade was conducted. In their report to the Court the supercargoes give their opinion:

'We are much concerned to find that our Conduct is thought so reprehensible by the Hon'ble Court for not having immediately accepted the Invitation of the Hoppo for sending a deputation to Pekin; the objections which were made did not proceed from a wish to decline the Invitation, but with a view to discover what kind of reception we were to expect & if any benefit could possibly accrue to the affairs of the Hon'ble Company, as the conversation was with the Hoppo who was deputed by the ViceRoy to make known his pleasure, we did not conceive there could be any impropriety in our making those observations & from the tenor of the Hoppo's behaviour, it did [not] appear he was displeased, or considered it as a backwardness on our part. We are now persuaded that it never was seriously intended & that the ViceRoy on reflection was afraid to make known his intentions to the Emperor, for on our making frequent applications to know when we might prepare for the journey, we have been informed that the subject had never been revived and the Merchants who were likewise required to go to Pekin, were shortly after informed that their presence would not be deemed necessary.

The American Consul who had been in Canton in 1786[1] returned in 1790 in the same capacity, acting also as a supercargo.

Oct. 4. Arrived . . . the *Massachusetts* Captain Job Prince from Boston and Batavia. Mr. Samuel Shaw, who formerly resided here as American Consul, is a Supra Cargo of the above Ship and is now appointed by Congress, Consul General in India and China.

His Majesty's ship of the line *Leopard* and frigate *Thames* arrived at Macao on February 22, 1791, with their crews suffering severely from scurvy, and in immediate need of fresh provisions. Only after a week's delay and with great difficulty could they procure any supplies or even obtain water; and permission to enter the river was refused. The Committee feared that some inconsiderate act might cause an embargo to be declared, and delay the dispatch of the ships, of which thirteen were then completing their loading; but Captain Blankett was very considerate of the interests of the Company, as evidenced by extracts from some of his letters:

[1] Cf. *antea*, p. 150.

Feb. 27. I conclude no offence can be given as long as we remain below the Forts. I neither mean to do anything that can give offence, or to suffer myself to be trifled with, to occasion such delay as I think inconsistent with my duty.

Feb. 28. There shall be no delay on my part, and everything as far as possible, shall yield to the general Service: The Detention of your Ships will be to me, as to those most nearly concerned and if anything should arise to stop the King's Ships from coming up the River, no difficulties will be found from me, that can possibly be obviated.

No difficulty did arise, and the Company's thirteen ships were dispatched on March 12th.

XLVI

THE FUR TRADE: THE HOUSE OF AGENCY, 1791

The Select Committee for 1791 consisted of five members, with Mr. John Harrison continuing as President. The books were opened on March 13th with the following balances:

		Tls.
Cr.	by Silver in treasury	1,128,382
	Tea in stock, 1,558 piculs	16,359
	Owing by Chinese merchants	308,689
	Advance for 'Compradore's expenses'	7,288
	Credit Balance	1,460,718

Payments were made that same day for advances under winter contracts for tea and silk amounting to Tls. 903,888; and a sum of Tls. 7,861 was advanced to Captain Blankett of H.M.S. *Leopard*.

For the Company there were 11 ships (11,454 tons) at Canton in 1791. Their cargoes realized: woollens, Tls. 1,451,795; lead, Tls. 58,747; copper, Tls. 36,088; tin, Tls. 304,861 (1,199 tons, invoiced £90,552); total English products, Tls. 1,851,491; Indian produce, pepper, Tls. 87,104; total from goods, Tls. 1,938,595. They brought silver to the value of Tls. 172,800. The Committee this year granted bills on London at 730 days only, 33,782 dollars at 5*s.* 7*d.* (before the arrival of the ships), and 1,431,782 dollars at 5*s.* 3½*d.*; granted certificates for 218,647 dollars; and received Tls. 624,350 in satisfaction of engagements made with the Governor-General; a total of Tls. 1,835,982. The investment by the 11 ships was valued at Tls. 3,349,281.

The trade at Canton in 1791 was as follows:

		Ships.		*Cotton.*	*Tea.*	*Raw Silk.*
		No.	Tons.	Piculs.	Piculs.	Piculs.
English	Company	11	11,454	16,529	94,754	786
	Country	12	about 6,000	15,505	474	954
American		3	1,500	..	13,974	55
French		4	1,915	..	5,880	84
Dutch		2	1,540	273	15,385	111
Swedish		1	1,250	..	11,935	10
Prussian		1	150	..	38	..
Spanish		1	300	..	..	..
		35	24,109	32,307	142,440	2,000

There were in addition at Macao two Portuguese ships from Lisbon, and one American schooner, 85 tons, from the 'N.W. Coast of America'. Of ginseng American ships brought 51 piculs, and English ships 133 piculs. The Prussian vessel, the *Nootka*, Captain Benjamin Walmsley, brought 9,619 sealskins; the American ships at Whampoa brought none; and the English ships brought from England 8,608 otter skins, 36,983 beaver, 7,537 marten, 1,350 fox, and 115,510 rabbit skins. Of the French ships one (900 tons) was from L'Orient and loaded tea; two (200 and 165 tons) were from Dunkirk, both under English supercargoes; and one (650 tons) was from Marseilles and the north-west coast of America.

March 13. Munqua informed the Committee that a Chop had been issued by the Hoppo prohibiting the importation of Sea Otter Skins, it originates from an Idea that they are purchased of the Russians, and as the Emperor has been at variance with that Nation for some years past, and no intercourse allowed of, he had caused this prohibition to be published.

This was a further complication in what was already an international complication. For some years past furs had been imported, generally in the private trade, by the Company's ships. These were doubtless provided by the Hudson's Bay Company; but in more recent years small craft had gone directly to the 'North-west Coast of America', and had there obtained furs, but there is nothing in the East India Company's records to show whether they were obtained from the agents of the Hudson's Bay Company or from native trappers. These ships were at first English,[1] but they were followed by some Americans.[2] In 1789 some under the British flag were fitted out at Macao for the north-west coast of America, and these, some or all, were seized by the Spanish, who claimed that their colony of California extended northwards, probably to Bering Strait, certainly to Sitka.

May 30. The *Argonaut* Brig, Captain James Colnett, arrived [at Macao] from St Blas and the North West Coast of America, this Vessel was fitted out from Macao the 25th April 1789 for the North West Coast of America and was one of those which were captured by the Spaniards in Nootca Sound, and was restored the 4th of June 1790.

[1] Cf. *antea*, pp. 135, 151. [2] Cf. *antea*, p. 174.

We are informed they have received the sum of Forty Thousand Dollars from the Vice Roy of Mexico as a full compensation for the losses they may have sustained. There are on board many Sea Otter Skins, but in consequence of the late prohibition they cannot be disposed of, they have received the [Portuguese] Governor's permission to lay in the Typa to refit.

Unable to sell her furs at Canton, the *Argonaut* sailed for the north, hoping to sell them in Korea or in Japan; but she was driven back by bad weather, and ultimately—

Dec. 2. The Mandareens have permitted the Sea Otter Skins brought here by the *Argonaut* to be shipped on board the *Governor Coote* and Captain Baldwin is to take them to Europe in part of his Indulgence of Private Trade.

There was still another ship which had been seized in Nootka Sound, an inlet in the island of Vancouver, and was to be restored to the owners.

Aug. 11. Arrived at this Port [Macao] a Sloop under Spanish Colors from Manilla, this Vessel was formerly the *Princess Royal* fitted out from England in 1787 & after her return from China to the North West Coast of America in 1789 was captured by the Spaniards at Nootka Sound.

Aug. 18. This day we experienced a very severe Gale of Wind. . . . The Spanish Sloop lost her mast and anchors and was driven on shore in the Typa.

Aug. 27. Received a Letter from the Spanish Council of Supra Cargoes. Gentlemen—We have an Order from His Excellency the Governor & Captain General of the Philippine Islands to deliver here to Messrs James Colnet & Thomas Hudson the Vessel *Princess Royal* in the same state as she was when she was detained by an Officer of our Royal Navy in the Port of St. Laurence in Nootka situated in the Septentrional Coast of California.

In the absence of Messrs. Colnet and Hudson, they proposed to restore the sloop to the English Select Committee; but that Committee, considering the situation of the vessel, a wreck on shore, and further that

she brought here about Three Thousand Sea Otter Skins, which the Chinese have with much difficulty permitted to be landed at the Custom House of the City, where they are to remain under the Seal of the Mandareens until the Emperor's pleasure is known,

refused to accept delivery of the sloop.

As the abovementioned Vessel is not the property of the English East India Company, & the owners having as we understand submitted

an account of the Losses they had sustained to be adjusted in Europe, we must thereupon decline acceding to your proposal.

Still another English-owned vessel was engaged in the direct fur trade from the north-west coast of America in 1791 :

July 19. Anchored in the Typa a brig belonging to Mr. John Henry Cox with about Eight thousand Seal Skins procured at the Islands of St Paul or Amsterdam. This vessel was formerly the *Nootka* fitted out from Bengal for the North West Coast of America, afterwards disposed of at Macao to a naturalized Portuguese Merchant residing there, from whom she was purchased last year by Mr. Cox and recalled the *Nootka*.

July 22. The *Nootka* anchored in the [Macao] Roads under English Colors intending to proceed to Whampoa ; having reason to suppose she had not a proper pass, or permission to navigate under English Colors, we sent a Chop to the Merchants, requesting they would acquaint the Hoppo with the Circumstances, that in case they committed any irregularities or transgressed against the rules of the Port we might not be considered as accountable.

After this date the brig is (twice) entered in the records as being Prussian. In this connexion it may be noted that Mr. Cox was not this year at Macao ; that Mr. Daniel Beale, the Prussian Consul, was his business partner ; and that large sums were paid into the treasury for bills issued to Messrs. Cox & Beale.

It is recorded that, on October 18, 1791, ' the French hoisted the New National Colors for the first Time '.

The supplies of silver provided through the direct agency of the Company came for the most part from India. On May 27, 1791, the Council of Fort William wrote :

No inconvenience, we hope, will result from the usual supply of Bullion from England being withheld the ensuing season and you will find that the present remittance from hence considerably exceeds the amount of which you inform us the expectation had been held out to you in your latest advices from Europe, as likely to be within the compass of our ability. The usual measure of advertising for proposals of remittance having been adopted by us in December last, several offers were made and the terms acceded to by us, the parties engaging to make the payments they respectively agreed for into your Treasury at the exchange of from 35 to 33 Spanish Dollars ℔ 100 Current Rupees.

They then informed the Committee that, on these terms, they had entered into agreements by which close on 24 lakhs of rupees would be paid in. The rate of exchange was against the Com-

pany. The parity of exchange being in the neighbourhood of 43½ dollars, the ordinary rate for bills had in previous years ranged from 41½ to 39 dollars per 100 current rupees; but so low a rate as 33 must be taken as an index of the inflation of the currency at the treasury of Calcutta.

In connexion with one such agreement for remittance included in the above, the Company became involved indirectly in an opium transaction. The Council of Fort William wrote:

> We wrote you last on the 27th of May . . . and among these were the Bonds for the Remittance engaged by Mr. Thomas Cotton as Attorney for Captain Stevenson who has since denied that he gave any authority to Mr. Cotton to engage in his Name. It became then an Object of importance to the Company to secure them against Loss, upon this Transaction, to the utmost possible extent; and as Mr. Collie one of the Securities for the remittance in question had received an assignment from the other parties who were bound with him of Property to a considerable amount our Duty required us to see that Property disposed of to the best advantage. In the Property thus assigned was a large Quantity of Opium (259 Chests) which had been mortgaged for a Loan of Money and upon being inspected was found in good condition and of the best Quality. We therefore redeemed the mortgage at the request of Mr. Collie and agreed to send the Opium to Macao under charge of Captain Stevenson as Supra Cargo.

The opium was laden on the *Phoenix*, which arrived in the Taipa anchorage on September 22nd. The Committee were again, as in 1782, much concerned at being involved in an opium transaction, and wrote to Captain Stevenson, who was supercargo on board:

> With respect to the Vessel under your management, we recommend that you endeavour to find out some place where you can lay in Safety without giving Offense to the Chinese Government, and we shall most readily afford you every assistance in our Power, the Typa we are of Opinion would be an improper place to lay in, from the Jealousy your arrival must have occasioned to the Portuguese and the obstacles they will most likely throw in your way, we think it likewise necessary to caution you (as there has been of late many Chinese pirates on the Coast) that you be constantly prepared against a Surprise.

Captain Stevenson then ordered the commander to take the *Phoenix* up to Whampoa, where she was measured for port dues and reported as a Company's ship.

> The Hoppo was very inquisitive respecting what Cargo she had brought & when informed some Iron and Lead, he would not believe

so small a Vessel with such a Cargo would subject herself to pay the Port Charges—and desired to know what Merchant he had appointed Security; We disavowed having any concern with her, that she was entirely under the management of Captain Stevenson to whom they must apply.

Eleven days later, on October 11th, they added in a report to the Governor-General, Lord Cornwallis:

his having brought no Cargo has given great room for suspicion as yet he has remained unmolested but this additional influx of Opium into the Market has caused a stagnation in the Sale, that we are apprehensive it will be a considerable time before it can be disposed of.

The *Phoenix* proceeded to Lark's Bay, and presumably delivered her opium there; but it is not certain if the sale was effected there or at Canton. On November 10th Captain Stevenson made out his account sales:

Opium. 258 chests at Head Dollars 380	98,040	
1 „ damaged	280	
		98,320
Commission at 5 per cent	4,916	
Measurage *Phoenix* Tls. 2,275	3,223	
Sundry charges	298	
		8,437
Head Dollars		89,883

This sum he paid into the treasury, asking for a certificate for the Bengal treasury; and he also deposited the sum due for measurage, but there is no record to show to whom it was ultimately chargeable. At a consultation of November 15th the Committee record a minute:

Having disavowed to the Chinese our having any Knowledge of the purport of the *Phoenix's* arrival or the Nature of her Cargo least it might embarrass the Affairs of the Honble Company, and as Captain Stevenson thought proper to proceed up the River, without waiting our reply to his Letter whereby the Port Charges and other Expences incurred might have been avoided, and most probably a more advantageous price obtained for the Opium, we agreed to return him for answer that as the Vessel was solely under his Management we must decline interfering in his concerns.

Captain Stevenson left the *Phoenix* and returned to Bengal a passenger by the country ship *General Elliot*, sailing on November 17th.

The Hong Merchants available to act as Security were now reduced to five. Eequa had gone into bankruptcy in 1790.

July 28, 1791. Received a Chop from Canton informing us that the Emperor had ordered the debts of Eequa to be discharged, and if we had any claims we were desired to send an account of them to the Hoppo, a similar Chop was sent to the different nations residing here.

Sept. 28. Were informed by the Merchants that a Chop had been received from the Emperor ordering Eequa to be banished to Ye Li, the same place where Yngshaw & Kewshaw were sent to in 1780.

Pinqua was in an embarrassed situation. The Committee could not venture to appoint him to be Security for any of their ships, but they allowed him

to retain for the present the sixteenth Share of the Woollens which we had reserved for him and to deliver it to him so soon as he shall have furnished us with Teas to that amount.

In October the linguist brought a message from the Hoppo acquainting

us that if we did not allow Chetai a New Hong Merchant to be Security for the *Taunton Castle* he would not permit her to unload; as he is a Merchant not in the most reputable Circumstances & having no dealings with him, we agreed to summon all the Merchants for to-morrow.

To the assembled merchants the Committee protested in the strongest terms against having any one imposed on them as Security without their consent, and asked that their protest might be carried to the Hoppo.

In the Evening the Merchants returned from the Hoppo, informing us that the Message we received was without his Knowledge, that he would cause an inquiry to be made and severely punish the Author of it. We find the Message came from the Hoppo's first Servant.

On November 25th the Committee received a letter from eleven members of the factory below the Committee on the subject of agency:

The Hon'ble the Court of Directors having in their Letter under date the 4th March last Para: 1, prescribed certain regulations to their Servants below the Committee respecting the division of the Commissions on all Private Consignments which they may individually receive, & tho' we the undersigned Supra Cargoes & Writers below the Committee are ever ready to pay our obedience to their General Orders, yet we presume to think the Hon'ble Court will not be displeased at our

acquainting them thro' your Channel, that should a compliance with their orders in this Instance be insisted on we foresee the Loss of many valuable commercial Connections to the Factory, the Establishment of persons under Foreign protections in this place, and various other evil consequences. We are therefore unanimous in Solliciting the permission of our Honble Masters to carry on private Commission Business on the same footing as heretofore.

In addition to their former 'salary' of £100 a year, Writers appear to have received some further emolument. In their letter of advice to the Court of Directors dated December 30th the Committee state :

We have drawn on your honors at 365 Days Sight for £1200 in favor of Mr. Francis Turnley Writer of Seven Years standing also in favor of Mr. Thomas Fitzhugh [Jr.] and Mr. James Drummond for £800 each as Writers of Five Years standing.

Mr. Drummond was on the point of leaving on a trip to Bengal for the benefit of his health, but there is no note of any movement by the other two.

XLVII

THE SECRET AND SUPERINTENDING COMMITTEE, 1792

The Select Committee for 1792 consisted of four: Mr. Henry Browne, who came from home to fill the post of President, and the other members, Messrs. John Harrison, George Cuming, and Hugh Parkin. The books were opened on January 11th, an unusually early date, with the following balances:

	Tls.	Tls.
Cr. by Silver in treasury. . . .	1,623,432	
Tea in stock, 9,413 piculs . .	98,839	
Owing by Chinese merchants .	473,142	
		2,195,413
Dr. to Owing to Yanqua . . .	128,937	
„ Francis Turnly (Factory)	2,658	
		131,595
Credit Balance . . .		2,063,818

During the season 1792 the Company had 16 ships of 12,271 tons at Canton. Their cargoes realized the following sums:

		Prime cost.	*Realized.*	*Profit +* *Loss —*
		£	Tls.	Per cent.
Woollens . . .		535,298	1,594,854	— 0·6
Lead		17,031	64,401	+ 26·0
Tin		72,845	242,428	+ 11·0
English Products . .		625,174	1,901,683	+ 1·4
Pepper . . .		36,580	42,737	+ 62·2
Cotton (5881 Pls.)	Rup.	123,077	67,627	+ 67·5
Sandalwood .	„	73,568	26,092	+ 8·3
Indian Products .	Tls.	90,662	136,456	+ 50·5

The total value realized was Tls. 2,038,139. The ships brought silver 180 chests = 627,840 oz. = 720,000 dollars = Tls. 518,400. The Committee having a full treasury, again issued bills for 730 days only, the exchange being 5*s.* 4*d.*, to the value of 1,660,582 dollars; certificates for 176,254 dollars; and received

723,108 dollars under engagements made with the Governor-General; a total of Tls. 1,843,160. The investment for the 16 ships was valued at Tls. 3,535,407.

The trade of Canton in 1792 was as follows:

	Ships.	*Cotton.*	*Tea.*	*Raw Silk.*	*Nankeens.*
	No.	Piculs.	Piculs.	Piculs.	Pieces.
English { Company	16	43,138	111,893	1,272	60,000
English { Country	23	152,884	1,078	1,764	14,500
American	6	4,926	11,538	25	69,600
French	2	82	11,555	56	143,600
Dutch	3	..	22,039	80	11,400
Swedish	1	5,452	11,698	22	35,000
Danish	1	..	6,395	90	41,000
Genoese, Tuscan	2	2,302	4,379	66	10,000
Spanish	3	..	3	25	17,100
	57	208,784	180,578	3,400	402,200

The Genoese and Tuscan ships both loaded for Ostend. Of ginseng the American ships brought 44 piculs and the English ships 125. Of furs the importation was as follows:

Fine furs (beaver, fox, otter),	English ships 77,330;	American 7,579
Rabbit skins	„ „ 200,850	„ 67,288

In addition the Genoese ship is recorded as having brought 8,420 fine furs and 164,620 rabbit skins. The prohibition to import sea-otter skins was this season withdrawn.

Rubbish teas were returned in the usual quantity, and the sum of Tls. 10,109 was recovered from the merchants who had supplied them; to this value was added 50 per cent. to cover the wasted cost of sending them to England.

The winter contracts for the season 1792 were made on January 17th concurrently for the sale of the woollens and the purchase of 122,000 chests of tea, 500 piculs of silk, and 50,000 pieces of nankeens; the delivery of the teas was to begin on November 4th and to be completed by January 31, 1793. Advances to the amount of Tls. 904,290 were made; and the balance of silver then remaining in hand, Tls. 872,124, being considerable, was left in sealed chests in the custody of Puankhequa and Shy Kinqua. The members of the factory left for Macao on January 31st.

The Court this year initiated a new system of control over their transactions at Canton, having by instructions dated

April 11, 1792, appointed a Secret and Superintending Committee superior to the Select Committee. Its members arrived per *Thetis* on September 21st, as follows:

Mr. Henry Browne, President,
Mr. Eyles Irwin,
Mr. William Jackson.

Mr. Browne was also President of the Select Committee. The functions of the new committee are thus defined in an official letter to the Governor-General, Lord Cornwallis:

We have the honor to advise you of our arrival at Canton with the appointment of the Secret and Superintending Committee, to conduct the affairs of the Hon'ble Company in China, and to put into execution such arrangements as may be made at the Court of Pekin, thro' the medium of the approaching Embassy.

They acted as a superintending body on questions of policy, but did not interfere with the actual trading transactions.

On September 24th the S. and S. Committee drew the attention of the Select Committee to a duel which had taken place at Whampoa between two officers of different English ships, and declared that

we are of opinion that a letter should be written by you to all Commanders of British Vessels to caution their Officers and all Persons under their Command, that we look upon it in the first instance as an Outrage of a very offensive nature offered to the Chinese Government, as well as tending towards the involving the Representatives of the British Nation in disputes with the Viceroy of this Province & which must ultimately injure our Commercial transactions and be attended with disagreeable consequences.

Under the same date they gave directions for the organization of the work of the factory.

In consequence of the Superintending Powers vested in us by the Honble Court of Directors, we have taken into Consideration the best mode of Conducting the Business of this Factory in future; a mode which we are Confident will give regularity & effect to the proceedings & be also productive of beneficial consequences to the Honble Company's Affairs. We therefore think it necessary to inform you that we have made the following Appointments:

Messrs. *Browne, Harrison & Cuming* [Select Committee] Cash keepers as usual.

Mr. *Richard Hall* Secretary to the Secret & Superintending Committee, & also to act in the same Capacity to the Select Committee.

Mr. *Parkin* [Select Committee] to be Superintendent of Exports. The Duties of this Department are to have charge of the Packing Books, the Examination of the Boatswains Books & Manifest of Private Trade (subject to the signature of the President as the Act of Parliament directs) to keep the customary Books appertaining to the Shipping Office, and to deliver to the Accountant Drafts of Invoices & Abstracts of Cargoes.

Mr. *Mierop* Superintendent of Imports. This Department consists in receiving and delivering all Imports, adjusting the Accounts relative thereto & delivering them in due time to the Accountant.

Mr. *Peach* to be Accountant. This Office will comprehend, not only the forming & keeping of the Journal & Ledger, but also the Current Diary & the issuing & Drawing of Bills of Exchange & Certificates, the keeping regular Accounts thereof, & the Examination & Copying of Invoices & Bills of Lading.

Mr. *Turnly* to take charge of the Compradores Accounts, to be Controller of Factory Expences of every denomination, to be Auditor of all Accounts & to sign them previous to their being passed & discharged.

Mr. *Smith* to be Deputy Accountant & to act under Mr. Peach.

Messrs. *Fitzhugh* & *Drummond* Assistants to Mr. Hall in the Public Department.

Mr. *Turnly* is further appointed Assistant to Mr. Mierop as Superintendent of Imports.

Mr. *Money* Assistant to & under the Control of Mr. Parkin.

The Supra Cargoes below the Select Committee (Messrs. Hall & Peach excepted) and all Writers to attend the Packing, Weighing & receipt of Goods as usual.

On October 19th the S. and S. Committee fixed the rate of exchange for the season at 5*s.* 4*d.*, the term at two years sight, and directed that the treasury should be finally closed for the receipt of silver on December 25th.

The departure of Mr. Harrison and Mr. Cuming, owing to their serious illness, having necessitated a rearrangement of duties, the S. and S. Committee on December 25th issued their instructions for the purpose.

The Chief of the Dutch Company, Mr. A. E. van Braam Houchgeest, on March 3rd, 1793, asked permission for two supercargoes of that Company to take passage by one of the English Company's ships to North Island, on their way to Batavia. The Select Committee in considering the request note that

though no intimation is contained in Mr. van Braam's letter of the

object of the two Gentlemen's Voyage, it is rumoured to be for the purpose of representing to the Government of Batavia the Circumstances of their Dispute with the Hoppo relative to their Security & to urge them to send a deputation to the Court of Pekin to remonstrate against his Conduct: as the request therefore considered with respect to the supposed motives appears rather of a delicate Nature, it is agreed before returning an answer to submit it to the Consideration of the Secret & Superintending Committee.

That Committee was of opinion that the request might be granted,
with a reservation in Case of any Objection being started by the Chinese Government.

The Court had given directions that some machinery should be provided for transacting the agency business, which had formerly been done, for their private account, by the supercargoes; and on October 3rd,

The President having informed the [Select] Committee that it was the wish of the Secret & Superintending Committee that something should be done relative to the establishment of a House of Trade for transacting Private Business on Commission previous to the sailing of the first Ships for India, we proceeded to take into consideration the Honble Courts Instructions to that effect contained in the 17th Paragraph of their General Letter of the 15th March and the 5th, 6th & 7th Para^{s} of their General Letter of the 11th April 1792—Although we conceive it to be the intentions of the Honble Court that we should be satisfied that the qualifications of those who may offer themselves to conduct the intended House of Trade should be equal to the undertaking it does not appear on an attentive perusal of the Para: abovementioned that we are authorised to select Particular Persons or compel any one to act contrary to his Inclinations.—It was therefore resolved that the Junior Supra Cargoes & Writers above 5 years standing be summoned to attend, that the Committee might be informed whether any of them were disposed to take a Part in the intended Establishment. They attended accordingly when the abovementioned Paragraphs were read, they were asked whether any of them were desirous of becoming Members of the House intended to be established. None of the Gent^{n} seeming inclined to come forward on the occasion the question was repeated to each separately, but with as little success—they all begged to decline taking any part in the management of the Concern.

The Gentlemen below the Select Committee being withdrawn it was agreed as we feel ourselves incompetent to proceed any further in this Business, that the future Consideration thereof be referred to the Secret & Superintending Committee.

After consideration for nearly a month the S. and S. Committee issued instructions that two senior Writers

> Messrs. James Drummond & George Sparkes do constitute the said House of Trade for transacting Private Business on Commission for the ensuing Season, and that the rates of Commission be fixed at 3 ℔ Ct. on Sales & Purchases and 2 ℔ Ct. on Bullion or Remittances.

Before he would consent to act Mr. Drummond stipulated, and the condition was the next year confirmed by the Court, that one moiety of the year's receipts from commissions should be divided between him and Mr. Sparkes, and that the other moiety should be divided between the rest of the factory.

The Hong Merchants had been reduced in number to six, of whom Munqua was the working head of the Co-Hong; Puankhequa, Chowqua, and Shy Kinqua were the sons of old-time merchants of the same name; the other two were Geowqua and Pinqua. Of these six, Pinqua had become embarrassed in his affairs in 1791; and Chowqua, at the end of October, 1792 was found to be unable to fulfil his engagements for tea (8,400 chests), his proportion ($\frac{1}{8}$ share) of woollens being thereupon distributed between the other merchants.

This reduced the number of Hong Merchants available to act as Security to four. In September the Hoppo issued Hong Chops to six additional merchants, raising the number to twelve, of whom two were known to be embarrassed. The new names were Mowqua, Yanqua, Chitai, Puiqua, Pongqua, and Tackqua. Of the new men,

Mowqua had made very considerable contracts with the Committee for many years past, was closely associated with Munqua, and was considered acceptable.

Yanqua had had very considerable contracts for two or three years past, but as he was still tied up with Puankhequa his acceptance was deferred until 1793.

Chitai had been rejected in 1791, and the Committee continued to protest against him.

Of the other three the Committee knew little or nothing, and refused to accept them as Securities, but declared their readiness to have cash dealings with them; but they proposed to contract with Puiqua for the season 1793.

The season 1792 was not closed until March 11, 1793, but the winter contracts for the coming season were made on February 9th. The principle of truck or barter was admitted more explicitly than before in the final report to the Court:

> Agreeably to our Plan of proportioning the Woollens to the Tea Contract $\frac{1}{16}$ Share of the former will be entitled to 540 Chests of Bohea and about 6,000 Chests of Congo; but to make the Shares of Bohea correspond with the numbers usually packed at one time, it may be proper to make the small Shares 600 & the larger of $\frac{1}{8}$ 1,000, which is a difference they will not object to.

The standard prices for woollens which had prevailed for many years were still maintained, although the merchants declared that in consequence of the great increase in the volume of imports, they were unable to dispose of all their supplies to the up-country dealers, and had large stocks still on their hands. In their contracts for tea the Committee claimed a reduction of one to two taels in the price, in consideration of increasing the customary advance from a half of the contract price to seven- or eight-tenths, which was the advance usually made by the Hong Merchants to the up-country dealers. Some agreed at once, some consented to try it as an experiment, and one, Puankhequa, declared his preference for the old basis, one tael more for the price, and advance of a half. Contracts for 1793 were then made as follows:

	Woollens.	*Bohea.*	*Congo.*	*Twankay.*	*Hyson.*
	Sixteenths.	Chests.	Chests.	Chests.	Chests.
Price per picul, Tls.	..	13·50	27	25	57
Advance „ „	..	10	20	20	40
Munqua . .	2	1,000	12,000	..	..
Puankhequa . .	4	2,000	15,000	2,000	2,000
Shy Kinqua . .	4	2,200	30,000	3,000	4,000
Geowqua . .	2	1,000	12,000	..	1,000
Mowqua . .	2	1,000	12,000	..	1,000
Puiqua . . .	1	600	10,000	..	1,000
Yanqua . .	1	600	8,000	..	1,000
	16	8,400	99,000	5,000	10,000

Munqua and Mowqua also contracted jointly for 1,200 piculs of raw silk at Tls. 255, advance of $\frac{9}{10}$ instead of the usual $\frac{8}{10}$.

The amount of the advances under these contracts, and the

value of the winter teas in stock at the close of the season 1792, were together Tls. 2,589,165.

Lark's Bay,[1] 'a bay on an Island to the Westward of Macao', was now a regular mart for the delivery of opium, and this practice was one which did not commend itself to the Portuguese authorities of Macao. In the season 1791 Captain Canning of the country ship *Nonsuch* had entered into an engagement to pay 3 lakhs of current rupees, at the exchange of 34 new dollars per 100 current rupees, into the treasury at Canton on or before January 31, 1792, on the security of 250 chests of opium laden on his ship. On January 31st he was compelled to ask for further time.

The Cargo of the *Nonsuch* realizing so exceeding slow; owing to the superiority the Merchants at Macao have over me, they being able to undersell me Head Dollars fifty ℔ Chest makes it utterly impossible for me to pay the amount of the Honble Companys Remittance ℔ *Nonsuch* which is due this day.

April 4. Passed by the [Macao] Roads the *Nonsuch* Country Ship Captn John Canning to a Bay to the Westward.

April 10. The *Nonsuch* sailed from a Bay to the Westward.

Of the amount of his engagements Captain Canning's agents paid into the treasury a total, between June 12th and September 15, 1792, of head dollars 90,632, which, with interest at 12 per cent. from January 31st, left him still indebted to the Bengal Government to the amount of head dollars 17,314.

On January 26, 1793, Munqua handed to the Committee a Chop from the Hoppo complaining of the presence of ships at Lark's Bay, and requiring them either to come up the river and be measured, or to put to sea.

It is well known to have been a practice for several years back for small vessels laden either with Opium or Skins to lie in this Bay to avoid the heavy Port Charges they would be liable to if they came up the River, and as it has been connived at for so many years, it is not without some surprize we find it so seriously taken up at this time. Whatever may be the Hoppo's motives we are of opinion that however convenient or advantageous it may be for Private Traders to resort to this place, as it is undoubtedly repugnant to the Laws of the Empire & the regulations laid down for the Conduct of European Commerce it ought no longer to be permitted than while the Government think

[1] On the west side of Montanha.

proper to connive at it. On enquiry we find the Hoppo is mistaken respecting the number of English Ships said to be at Larks Bay, there being only one which is the *Halcyon* commanded by Capt. Barkley the rest to the number of Four being Americans.

The *Halcyon* and the four American vessels were all from the north-west coast of America, presumably with furs. The information that they were there, given probably on the assumption that they carried opium, is more likely to have come from the Portuguese than from any Chinese official underlings. The Hoppo sent the 'Hoppo of Macao' to investigate, and the Committee sent a letter urging Captain Barkley to leave the bay. Captain Barkley apparently succeeded in squaring the investigating officers, and wrote to the Committee:

It is not my wish or intention to embarrass the affairs of Honble Company therefore in consequence of your requisition I shall proceed to sea the minute my Vessel is in a situation, I shall exert mysel & hope to be gone in ten days. The Mandarines appeared to think that very reasonable from the indifferent situation of the Vessel.

The Chinese officers carried out their part of the bargain.

The Contents of this letter were communicated to Munqua who informs us that the Hoppo had received a Report from the Persons he sent down to the same effect, with which he appeared satisfied.

On December 30th the Committee received a letter from 'Geo. Vancouver Esq. Commander of his Maj^{tys} Ship *Discovery* (on Discoverys)' dated 'Nootka Sound Sept. 26th 1792',

delivered by Lieut. Mudge who is on his way to England charged with my Dispatches to the Lords Commissioners of the Admiralty & as it is of great importance that he should arrive thither with all possible dispatch,

he requested the Committee to do all they could to expedite Lieut. Mudge's journey. This they did, besides advancing 1,000 dollars for his expenses. It may be noted that Nootka Sound is an inlet on the western side of Vancouver Island.

His Excellency Lord Macartney having requested we would furnish him with a general abstract of the European trade to this port, the President has drawn up and sent the annexed rough estimate.[1]

[1] The figures are as given in the records.

No. 1. *Abstract Imports* 1792.

	Tales.
English Company's Ships	2,775,119
„ Country Ships	1,608,544
	4,383,663
Spanish . . Goods only	10,458
Danish	3,276
Swedish	66,457
French	49,120
Dutch	342,330
American	109,816
Tuscan (English)	50,403
Genoese („)	54,130
Total Imports	5,069,653

Exports.

English Company's Ships	4,566,299
„ Country Ships	968,632
French	361,925
Swedish	279,003
Danish	228,653
Dutch	536,812
American	317,270
Genoese (English)	86,780
Tuscan (English)	145,150
Total Exports	7,490,524
Total Imports	5,069,653
Exports and Imports	12,560,177
Balance Tales	2,420,871

No. 2. *Imports.*

English Country Ships, 20.

Cotton	Peculs	112,854	@	11 Prpl Ts	1,241,394
Tin	„	5,261	@	15 „	78,195
Pepper	„	5,567	@	15 „	83,505
Sandal Wood	„	8,780	@	20 „	175,600
Elephants' Teeth	„	330	@	37 „	12,210
Bees Wax	„	564	@	30 „	16,920
				Tales	1,608,544

English Company's Ships, No. 16.

Cotton	Peculs	43,000	@	11	473,000
Tin	„	19,730	@	15	295,950
Lead	„	17,297	@	5	86,485
Rabbit Skins	Pieces	195,650	@	2 Mace	39,130
Beaver	„	68,856	@	4 Tale	275,424
Otter	„	8,314	@	10 Do.	83,140
Glass	„	563			
Broad Cloth	„	8,000			480,000
Long Ells	„	130,000			910,000
Camlets	„	3,000			132,000
Total Company's					2,775,119
Do. Country Ships					1,608,544
Grand Total					4,383,663

			Ts.	Tales.
Spanish Ships 2.				
Logwood	Peculs	5,229 @	2	10,458
Silver about				150,000
			Tales	160,458
Swedish Ship 1.				
Tin	,,	388 @	15	5,820
Cotton	,,	5,452 @	11	59,972
Pepper	,,	31 @	15	665
			Tales	66,457
Danish Ship 1.				
Smalts	,,	133 @	11	2,228
Steel	,,	131 @	8	1,048
			Tales	3,276
French Ships 2.				
Tin	Pecs	213 @	15	3,195
Pepper	,,	159 @	15	2,385
Camlets		1,000 pieces		40,000
Cloth		59 Do.		3,540
			Tales	49,120
Dutch Ships 4.				
Tin	,,	13,846 @	15	207,690
Pepper	,,	4,168 @	15	62,520
Cloves	,,	80 @	90	7,200
Sandal Wood	,,	926 @	20	18,250
Camlets	Pieces	1,139 @	34	45,560
Rabbit Skins	,,	1,646		840
			Tales	342,330
American Ships 6.				
Lead	Pecs	120 @	5	600
Cotton	,,	4,920 @	11	54,120
Rabbits' Skins	Pieces	60,288		20,000
Beaver	,,	1,974		7,896
Otter	,,	5,425		21,700
Seal	,,	24,000		4,500
			Tales	109,816
Tuscan (English) 1 Ship.				
Tin	Pecs	365 @	15	5,475
Pepper	,,	991 @	15	14,865
Cloves	,,	4 @	90	360
Sandalwood	,,	17 @	20	340
Rattans	,,	1,347 @	3	4,041
Cotton	,,	2,302 @	11	25,322
				50,403
Genoese (English) 1 Ship.				
Lead	Pecs	3,350 @	5	16,750
Camlets	Pieces	162 @	40	6,480
Rabbit Skins	,,	2,700 @		900
Fox Skins	,,	7,000 @		30,000
			Tales	54,130

No. 3. *Canton Exports.*

			Tales.
Company's Ships, intended to be sent this year in 20	Black Teas	156,000 Peculs	3,413,054
	Green „	. . .	624,640
	Raw Silk (Nankeen)	1,500 Pls	468,000
	Nankeen Cloth	60,000 Pcs	30,000
	Chinaware	. . .	3,500
	Rhubarb	339 Ps @ 50 .	16,950
	Cassia	480 . .	6,720
	Sugar	593 . .	2,965
	Do. Candy	47 . .	470
		Tales .	4,566,299

Country Ships 20 ——

				Tales.
Chinaware	5,133	Peculs	. . .	30,000
Tutenague	36,578	@ 7	. . .	256,046
Sugar Candy	10,749	@ 10	. . .	107,490
Sugar	26,098	@ 5	. . .	130,490
Allum	18,758	@ 2	. . .	37,516
Turmeric	60	@ 4	. . .	240
Camphor	625	@ 30	. . .	18,750
Wrought Silk	79	. .	. . .	31,600
Quick Silver	23	. .	. . .	1,150
Nankeen Cloth	5,500	pces	. . .	2,750
Raw Silk (Canton)	1,763	Do.	. . .	352,600
			Tales	968,632

French 2 Ships.

				Tales.
Chinaware	180	Peculs	. . .	1,500
Black Teas	10,544	. .	. . .	210,880
Green do.	1,011	. .	. . .	4,040
Nankeen Cloth	228,000	Pieces	. . .	114,000
Wrought Silk	5	Peculs	. . .	2,000
Sugar	1,969	Do. @ 5	. .	9,845
Rhubarb	192	Do. @ 50	. .	9,600
Candy (Sugar)	1,006	Do. @ 10	. .	10,060
			Tales	361,925

Swedish Ship 1.

				Tales.
Chinaware	700	Peculs	. . .	480
Black Teas	11,039	do.	. . .	220,780
Green Teas	659	do.	. . .	13,180
Nankeen Cloth	35,000	pieces	. . .	17,500
Wrought Silk	40	Peculs	. . .	16,000
Raw do.	22	do.	. . .	6,000
Cassia	82	do.	. . .	1,148
Tutenague	85	do.	. . .	595
Sugar	4	do.	. . .	20
Rhubarb	54	do.	. . .	2,700
			Tales	279,003

					Tales.
Danish Ship 1.					
Chinaware	564	Peculs			450
Black Teas	6,127	.			122,540
Green Teas	268	.			10,720
Nankeen Cloth	43,000	Pieces			21,000
Wrought Silk	20	peculs			8,000
Raw do.	90	do.			27,000
Cassia	16	do.	@ 14		224
Tutenague	102	do.	@ 7		714
Sugar	3,985	do.	@ 5		19,925
Rhubarb	222	do.	@ 50		11,100
Sugar Candy	598	do.	@ 10		5,980
Quick Silver	20	do.	@ 50		1,000
				Tales	228,653
Dutch 4 Ships.					
Chinaware	1,100	Peculs			600
Black Teas	14,657	,,			293,140
Green do.	2,404	,,			96,160
Nankeen Cloth	47,000	Pieces			23,500
Wrought Silk	143	Peculs			57,200
Raw Silk	109	do.			32,700
Cassia	128	do.	@ 14		1,792
Quick Silver	153	do.	@ 50		7,650
Sugar	4,814	do.	@ 5		24,070
				Tales	536,812
Americans 4 Ships.					
Chinaware	1,492	Peculs			700
Bohea or black Teas	7,882	,,			157,640
Green do.	195	,,			7,800
Nankeen Cloth	27,400	Pieces			13,700
Wrought Silks	155	Peculs			62,000
Raw ,,	25	,,			7,500
Quick Silver	901	,,	@ 50		45,050
Sugar	4,576	,,	@ 5		22,880
				Tales	317,270
Genoa Ship (English) 1.					
Black Tea	2,660	Peculs			53,200
Green do.	257	,,			10,280
Nankin Cloth	5,000	Pieces			2,500
Sugar	3,930	Peculs	@ 5		19,650
Do. Candy	115	,,	@ 10		1,150
				Tales	86,780
Tuscan (English) 1.					
Chinaware	132	Peculs			7,000
Black Teas	983	,,			19,660
Green do.	1,971	,,			78,810
Sugar	3,930	,,			19,650
Do. Candy	2,000	,,			20,000
				Tales	145,150

XLVIII

WAR WITH FRANCE, 1793

For the season 1793 the Secret and Superintending Committee carried on with the same personnel; the Select Committee consisted of Mr. Henry Browne, President, and Messrs. George Cuming and Thomas Kuyck van Mierop. The books were opened on March 11th with the following balances:

	Tls.	Tls.
Cr. by Silver in treasury . . .	1,138,338	
Teas in stock, 17,559 piculs .	191,854	
Owing by Chinese merchants .	1,606,669	
,, factory advance . .	13,125	
		2,949,986
Dr. to owing to Chinese merchant .		3,645
Credit Balance . .		2,946,341

The Company had this year 18 ships at Canton, of 17,486 tons. Their cargoes realized: woollens, Tls. 1,788,309; lead, Tls. 53,858; tin, Tls. 204,806 (barely the prime cost); furs, Tls. 16,057 (invoiced at £12,075); total English goods, Tls. 2,063,030; Indian produce, cotton (6,200 piculs) and sandalwood, Tls. 88,100: total from goods, Tls. 2,151,130. The ships brought no silver, and no money was paid into the treasury under engagement with the Governor-General of Bengal. The treasury received 1,613,267 dollars against 730-day bills at exchange 5*s.* 3*d.*; 287,984 dollars against certificates; and Tls. 17,442 for freight space; a total of Tls. 1,386,343. The total investment by the 18 ships was valued at Tls. 3,838,868. In the accounts is an entry of expenses attending the China Embassy, Tales 31,050. The trade of Canton in 1793 was as follows:

	Ships. No.	*Cotton.* Piculs.	*Tea.* Piculs.	*Silk.* Piculs.	*Nankeens.* Pieces.
English { Company .	18	30,780	148,250	762	70,000
English { Country .	22	149,430	681	1,051	25,000
American . . .	6	9,363	14,115	36	255,000
Dutch . . .	2	..	17,130	29	25,000
Swedish . . .	1	4,600	5,671	..	30,000
Genoese . . .	2	..	2,171	..	21,000
	51	194,173	188,018	1,878	426,000

The two Genoese ships loaded for Ostend; of the American ships, 5 (of 1,200 tons in total) were from ports of the United States, and one from the north-west coast of America. There were no French ships, the Convention having declared war against England and Holland in February. The Swedish Company obtained 200,000 dollars locally against 365-day bills at 5*s.* 2*d.*

The House of Agency continued during 1793 under the management of Messrs. Drummond and Sparkes. The supercargoes and writers generally looked upon it with hostile eyes, since it deprived them of commissions paid to themselves individually, and substituted others, lower in amount in the case of purchases and sales, to be paid into a pool. The House of Agency met with opposition also from the private merchants in India. An Association was formed to circumvent it, and all the ships of this Association were consigned at Canton to the Prussian Consul, Mr. Daniel Beale, and no longer to supercargoes of the English Company selected by the consignors. The S. and S. Committee wrote in protest to the Court,

> and we thought it our duty in our public letters to Bengal and Bombay to touch on the danger as well as impropriety of British Subjects under your protection, consigning to Foreign houses, particularly as a British house was established at Canton, competent to the business and under your sanction.

Besides Mr. Beale there were other British subjects residing at Canton under protection of non-British nations, contrary to the wish and against the protest of the English Company. One was Mr. Charles Schneider, who, when ordered away, informed the Committee that

> I at present reside here in the capacity of Vice Consul for the Supreme Republic of Genoa, to transact the affairs of Merchants of that State.

Another, Mr. David Reid, similarly informed them that he held a commission as captain of Infantry in his Danish Majesty's service

> and it is in consequence of Orders from that Court that I am now here.

A third foreign consul is also incidentally referred to under date of February 3, 1794:

> The approaching departure of Mr. Schneider the Genoese Consul,

and Messrs. Laurent and Dickerson, the latter of whom is rumored to have a protection from the Court of Poland. . . .

The S. and S. Committee included two members who were new to China, and who therefore might be expected to be impatient of the imposition known as 'squeeze', under which every subordinate levied a commission on all expenditure. The Committee began an inquisition accordingly into the cost of maintaining the factory, and in fact had been expressly ordered by the Court to cut down expenses. In placing Mr. Turnly in charge of 'the Compradore's Accounts', they gave him general orders to scrutinize all bills and to audit them before signing them for payment. They were

struck with the magnitude of the daily charge for breakfast, firing, &ca, supplied to the apartment of every Company's Servant. It appears to them that the Consumption would, at no time, have equalled more than one half of the articles furnished by the Compradore; and that the remainder has been considered by the Chinese Servants as their perquisite.

They then put each member of the factory on a daily allowance, which seems to have been sufficiently liberal:

	Past.	*Future.*
Oil	1 catty	½ catty
Charcoal	20 ,,	10 ,,
Sugar	½ ,,	½ ,,
Bread	6 loaves	3 loaves
Eggs	12	6
Candles	2	2
Lobchocks	6	4

They also took in hand the excessive charge made annually for repairs to the factory. By their vigilance in these and in other ways,

tho' we have failed in the attempt to effect a greater saving than 6,812 Tales, we see no reason it should not be confined to that of the present year. The real saving of the present year amounts only to Tales 1,328, but as the expense of rebuilding the Verandah and Hall, which engrossed the sum of 5,484, is an extra draw back that may not recur for many years, we may fairly reckon the saving at the aforesaid sum.

It was, however, on the expenses connected with the annual migration to Macao that the greatest proportion of saving was

temporarily effected. The sums paid on the moving to Macao in the spring of 1792 and of 1793 were as follows:

	1792. Dollars.	*1793.* Dollars.	*Saving.* Dollars.
Duties paid on goods on board . .	1982	1586	396
Paid at Scenoy (Customs station) . .	231	231	..
„ „ Heungshan (do.) . . .	55	55	..
„ „ „ to Chantong . . .	14·50	14·50	..
„ „ Casa Branca (guard-house, Macao)	38·50	38·50	..
Coolies loading boats, &c. . . .	206	189	17
Boat-hire (12 in 1792, 11 in 1793) . .	812	748	64
Mandarin accompanying as escort . .	300	..	300
Macao (Customs station) . . .	1296	64	1232
	4935	2926	2009

The saving is likely to have been greater than is shown here, since orders were given in 1793 that, when the linguist's accounts were received, the duties were to be charged to the individual owners of the goods, only those levied on factory supplies and Company property being charged to the Company; and it is improbable that this care was exercised in 1792. The mandarin escort was dispensed with in 1793; his ostensible duty was to protect the supercargoes from exactions on the way, but in practice he had always seen to it that all exactions were paid. The payments on the way had become stereotyped; only those at Macao were fought, and after three days the Customs official there yielded to a threat to carry the matter to the personal knowledge of the Hoppo at Canton. In September, 1793, they again escaped all payment at Macao, since the Hoppo was anxious to see them without delay and had sent his deputy to escort them to Canton. The cost of migrating (presumably in both directions) had been 1,000 dollars in 1772, and had risen to 9,000 dollars in 1791; and a saving of 40 per cent. in the spring of 1793 was rightly a matter for congratulation; but the Committee were inclined to attribute their success

to the use we had made of that impression, which our ostensible situation & supposed connection with the Embassy to Pekin, seems already to have produced. . . . Should this attempt [to reduce the cost] fail, we may still look with confidence to the issue of the negotiation; which, without any retrospect to past abuses, may procure an order from Court to place this charge on its original footing.

Except in the case of Thos. Bevan, the Company had never made any attempt to induce its agents to study the Chinese language. With some difficulty the S. and S. Committee found a person who

> expressed a willingness to engage himself as a teacher of the Chinese Language, and would remove himself for that purpose to Macao.

At Macao the teacher refused to come to the Company's house, or even to lodge in its vicinity.

> It would have been more convenient, could the Master have attended at our house, or provided himself with Lodgings in the neighbourhood; but the precaution, which the danger of his undertaking so forcibly prescribes, has induced him to retire to an obscure and distant part of the town.

His pupils had therefore to go to him. He refused to teach more than three (Messrs. Travers, Pattle, and Roberts were selected from those who wished to study under him); and he declined to accept any payment for his services, being evidently in a state of great fear. The Committee decided to pay his expenses at Macao, and to settle with his father, on their return to Canton, for the amount of his honorarium.

Among the woollens of the season were included some new kinds of finer finish or design, in order to try the market. Of these the embossed cloths were approved; 272 yards, prime cost £128, were sold at Tls. 2·00 a yard, giving a profit of 24 per cent. Long Ells of a superior finish could, however, find a market only at Tl. 0·36 a yard, a loss of 11 per cent.; and striped and spotted camlets only at Tls. 18·00 a piece, nearly 50 per cent. below prime cost. Of the standard woollens at standard prices the demand was steadily improving, notwithstanding the great increase in the importation; and the indent sent home for 1795 called for woollens to a value of between £600,000 and £700,000, including the following quantities:

			£	£
Cloth, Superfines	7,000 pieces at	£26 p.p.	182,000	
,, Supers	1,100 ,,	£19 ,,	20,000	
,, Worsters	750 ,,	£18 ,,	13,000	
				215,000
Long Ells	156,000 ,,	£2 10 0		390,000
Camlets	3,640 ,,	£10		36,400
				£641,400

The necessity of selling imports in veiled truck is as pronounced as ever. A quantity of furs, invoiced at £12,075, sent from London obtained a cash offer of no more than 20,000 dollars; but one merchant finally offered 22,300 dollars on condition that payment might be made in Souchong tea at the ruling contract price of the season; this was a loss of 56 per cent. on the prime cost. In woollens the loss was not so great, but it existed. The S. and S. Committee entered into a long course of inquiry to see if they could not sell their woollens at a higher price and buy their teas at lower prices, but they found the two so closely interwoven that they judged it inadvisable to press the matter and postponed it to a more convenient season. To the Court they wrote:

It may not be improper to offer a remark on the wish expressed by the Honble Court to attempt an increase in the usual Sale prices; though this important object has not yet been noticed by us, we have nevertheless not been unmindful of it, but as no alteration would be made with regard to the Woollens of this Season, which are all disposed of by Contract & our hinting such an Intention might put them on making some Stand for an increase in the price of their Teas in the Contracts made at the close of the Season, we are of opinion that the best method we can pursue, will be to leave the disposal of the next Woollens open till the arrival of the Ships, when, if the Quantity should be much reduced, as the Honble Court give us reason to expect, there will be some room to hope for success in our endeavors to obtain so desirable a point.

The relations between the supercargoes and the merchants have by this time reached a high degree of mutual confidence. Reference has before been made to the trustfulness of the merchants in accepting without demur the decision of the Court of Directors on their teas—damaged, rubbish, or falsely packed; and we have in this season an instance of the same trust in connexion with silk.

Jan. 28. On packing Mowqua's Raw Silks for the *Triton* a few skains were discovered in the first three or four Bales that were opened which we judged rather too coarse for the Honble Company's Investment, on shewing them to Munqua he allowed they were not altogether so fine as we had a right to expect which he charged to the neglect of the Silkman and offered if agreeable to us to have it repicked but as this could not be done in less than 6 or 7 days especially as the New Year was approaching and the Ship could not go on loading till the

Silk was on board which would cause a greater delay than would be compatible with our present Exertions to expedite the dispatch of the Ships, we asked him if he could undertake to indemnify the Honble Company for the difference that might arise on the sale of the parcel from the mixture of inferior Silks, this proposal he readily assented to assuring us that he had not the least apprehension that the quantity would be of any moment as very little of this kind was discovered in the Bales which were opened afterwards though taken indiscriminately.

The vicissitudes of ships at sea were numerous in this year of war. On July 4th news was received that the *Flore do Mar*, a snow of Macao, had been 'boarded and taken by Chinese Pyrates'; four of her crew escaped by swimming; the rest, with the captain, 'were put to death by the Pyrates after they were in possession of the vessel'. In October a French privateer of 20 to 26 guns took in the Straits of Malacca a small English country ship, the *Polly*, and detained a Swedish East Indiaman, which was searched for English-owned goods. News was also received of five or six French frigates cruising about the Straits of Sunda. The Company's ship *Warley* from London and Fort St. George arrived at Macao on December 7th, and her commander reported that

In our passage through the Straits of Sincapore near Point Romania we fell in just at close of Day with the *Dumouriez* French privateer & three of their prizes at anchor. One of them a Dutch snow we retook.

At the end of September the Company's ship *Princess Royal* from London to Canton was taken off Anger Point by three French ships, of which two were said to be two-deckers. Two days after this loss is recorded it is noted, on January 19th, that

The President informed the [Select] Committee that His Excellency Lord Macartney proposed waiting at Macao in order to afford the Honble Company's Ships an opportunity of sailing under Convoy of His Majesty's Ship the *Lion* and that Sir Erasmus Gower was particularly desirous if possible that the Ships should be ready by the 1st of March.

It is worthy of note that H.M.S. *Lion* is recorded on December 27th as having 'now come up to Whampoa'. Thirteen of the Company's ships were dispatched together on March 9th. In this year's records for the first time the terms 'Indiaman'

and 'East Indiaman' are used to indicate the ships voyaging from Europe to the Indies.

On November 4th a French ship of about 300 tons was chased by H.M.S. *Lion* off Macao and ran for protection under the guns of the Bar fort. Being thus in the power of the Portuguese she was seized by them as lawful prize of war, on the assumption that a state of war existed between Portugal and France. Portugal had actually joined the league against France, but the fact was not then definitely known at Macao.

Nov. 6. The Owner Mons^r Piron Resident on account of the French Company has applied to the Chinese Government to request their interference & permission to bring his Ship to Whampoa.

Nov. 7. The Quangtcheoufou this day set off for Macao attended with a numerous Retinue & some Soldiers to enquire into the Business & command restitution, which the Portuguese it is said are determined to refuse.

Nov. 29. The Quangtcheoufou returned to Canton from Macao. It is said the Portuguese have consented to restore the property & permit the Ship to do her Business in the port of Macao. It seems that the Portuguese being apprehensive that they were rather premature in seizing the Ship as a Prize in virtue of supposed existing hostilities, had put the matter on a different footing & alledged that their unloading her was merely a consequence of the irregular Conduct of the French, who refused to shut their Hatches when required, & deliver a manifest of the cargo agreeable to the Custom of the Port. This declaration appeared satisfactory to the Chinese who began to entertain Doubts of completely succeeding in what they had undertaken, & the Portugueze very readily consented to the Ships remaining in their Port as she will still be in their power, and may again be seized, should accounts of hostilities between the two Nations be confirmed.

On July 18th the country ship *King George*, with cotton, sandalwood, myrrh, and opium from Bombay, while on the way up to Whampoa was struck by lightning, set on fire, and burned to the water's edge—a total loss. She may have previously discharged her opium at Macao, but the fact is not recorded.

XLIX

LORD MACARTNEY'S EMBASSY, 1793

The outstanding event of the season 1793 was the Embassy of Lord Macartney to the Court of Peking. When the news of Lt.-Col. Cathcart's death in 1788 reached London, the Secretary of State, Mr. Henry Dundas, who had been instrumental in sending him, took immediate steps to send a successor; and for that purpose it was his intention to instruct Lord Cornwallis, the Governor-General in Bengal, to nominate some person suitable to serve as chief of such an Embassy. Instructions to that effect were drafted, but were not sent; and the business remained in abeyance for two or three years. It was again taken up at the turn of the year 1791–2, when Mr. Dundas sounded Lord Macartney on the subject.

George Macartney was of great distinction as an administrator in offices which had required marked diplomatic ability. Born in 1737, he was in 1764, at the age of 27, deemed worthy of the honour of knighthood and was commissioned Envoy-Extraordinary to the Court of St. Petersburg. After holding the post for two years he refused the position of Ambassador at the same Court, and returned to England. Elected in 1768 to the Irish Parliament, he was appointed Chief Secretary for Ireland. In 1774 he was elected for a Scottish constituency to the British Parliament; and two months later was appointed Governor of Grenada, being created Lord Macartney, Baron of Lissanoure, in the peerage of Ireland. In December, 1780, he was appointed Governor and President of the Council of Fort St. George, Madras, assuming the duties of his post on June 22, 1781. He left Madras in 1785, after having received the offer, and declined it, of the post of Governor-General of Bengal. His administration of Fort St. George was of the first order, in recognition of which the Court of Directors voted him an annuity of £1,500 a year for his life. The Government gave him unstinted praise in Parliament; but when he applied for an English peerage as

a mark of their approval, his application was rejected, Mr. Pitt declaring that it would establish an undesirable precedent. On his appointment as Ambassador to China, on May 3, 1792, however, he was sworn of the Privy Council, and, on June 28th, was promoted to be Viscount Macartney of Dervock in the Irish peerage.

On January 4, 1792, at Mr. Dundas's request, Lord Macartney addressed to the Secretary a letter giving an outline of his opinions on the proper method of conducting the proposed embassy and the objects which should be aimed at. He considered that the Court of Peking should not be taken by surprise, but that due notice should be given of the coming of the Embassy; and especially that a declaration should be made giving an assurance that its object was not to press for redress of past grievances, but to convey the King's congratulations to the Emperor on the occasion of entering the eightieth year of his age, and incidentally to discuss arrangements for conducting the trade in future to the mutual advantage of the two countries. In dealing with so haughty a Court, bolstered by Oriental arrogance and ignorant of the power and importance of the nations of the West, it was necessary to impress the Emperor and his ministers by a display of pomp and dignity; and, to increase the manifest importance of the Ambassador, it would be well to send him out in a King's ship, and to provide him with an escort of light infantry and of field-pieces for parade purposes. Among the objects which should be aimed at were the following:

1°. To free the trade carried on at Canton from the restraints and extortions laid on and exercised by the officers at that port, in the confidence of impunity while there has been no channel for the communication of complaint.

2°. To obtain the exports from China upon cheaper terms, by our being allowed to trade to the ports nearest to the place of growth of the commodities wanted, and by the effect of the competition of different markets.

3°. To have the duties on imports and exports taken off, or reduced to the rate at which they were levied when trade commenced, and particularly the duties lately imposed on exports for the purpose of liquidating thereout the debts due by Chinese to foreign merchants, at least in case the

duty so levied shall have already amounted to the sums so due, or as soon as duties to that amount shall have been received.

4°. To have the English traders put at least on the same footing with the Portuguese, and particularly that they shall be allowed, either on the continent of China, or on some adjacent island, a convenient depot, where the merchants, or Company's agents, their ships, crews and merchandise, may occasionally remain from one season to another, with the same privileges as were granted to the Portuguese at Macao.

5°. To procure an express edict from the Emperor, addressed to the Governors and magistrates of the ports which the English may frequent, for preventing the Company's agents or others from being rendered in any wise responsible for the conduct of individuals, and for preventing in future the demand that an innocent man should be delivered up as a substitute to suffer the punishment due to a criminal who may have found means to escape; the Company's agents undertaking not to assist in such escape, but on the contrary to afford every assistance towards his discovery and apprehension.

6°. To increase the imports into China from Great Britain, not only in consequence of trading to different ports, but by procuring the repeal of such regulations as might tend to discourage the purchase of British manufactures, and also by exciting at Peking a taste for many articles of English workmanship hitherto unknown there. . . . Such an increase in the importation from this country into China, together with a due encouragement there of the fur trade, as well as of different articles of British commerce in India, might soon turn the balance of the China trade considerably in favour of Great Britain.

It was proposed that the Embassy should include men of scientific and artistic attainments, such as to impress the Chinese Court with the high degree of civilization attained in England; that a resident consul to be sent to Canton might be a more fitting person than the Company's agents to serve as a channel for giving notice of the coming of the Embassy; and that the

Ambassador should 'have such a degree of controul over the Factory at Canton as may be thought advisable to confide in him'.

The Chairman, Mr. Francis Baring, and Deputy Chairman, Mr. J. Smith Burges, of the Court of Directors, to whom Lord Macartney's letter was communicated, made some small objection to the military display, as exemplified by the field-pieces; but they took exception more seriously to the proposals to send out a representative of the Government as consul, and to subordinate the factory to the Embassy. They represented that it had been resolved to send out 'Commissioners', under the title of Secret and Superintending Committee, of which the President, Mr. Henry Browne, was a man of much tact and great experience in China; and that these Commissioners, duly instructed to subordinate themselves to the Ambassador and to further his wishes in every way, would supply all that was to be expected from a consul.

Lord Macartney acceded to this opinion, and in May he was appointed Ambassador Extraordinary and Plenipotentiary with a salary of £10,000 a year attached to the post, plus £5,000 a year personal to himself in view of his long and distinguished services. It may be said here that the entire cost of the Embassy —for salaries, maintenance, presents, and all charges—was defrayed by the East India Company. The Ambassador had stipulated that Sir George Leonard Staunton, his secretary at Fort St. George, should be 'Secretary of Embassy and Minister Plenipotentiary in the absence of the Embassador', with the expressed power of carrying on the Embassy in case of the death or incapacity of Lord Macartney. The Ambassador was allowed to nominate the entire personnel of the Embassy, and to select his captain from the Royal Navy, who was empowered in turn to select all his own officers. The Embassy was, in fact, treated in the handsomest way by the Government and by the Company. The presents entrusted to the Ambassador cost £13,124, in addition to those taken over from the Cathcart Embassy, which had cost £2,486. To convey the Ambassador the Admiralty dispatched H.M.S. *Lion*, 64 guns, Captain Sir Erasmus Gower; and to take his suite and the presents she was accompanied by the Company's ship *Hindostan* and the tender *Jackal*.

In Lord Macartney's instructions,[1] dated September 8, 1792, he was advised to draw attention to the large number of British merchants engaged in the China trade, larger than those of all other nations, and the great volume of their transactions; to point to the fact that the legal import of tea into England had within a few years trebled in quantity, in consequence of the passing of the Commutation Act; and that, to provide means of purchasing such increased quantities, a way should be found to increase the vent of English manufactures and Indian produce. In the past history of the trade the conditions prevailing at Canton had been most discouraging, hazardous to the agents conducting the trade, and precarious to the various interests involved. Restricted to Canton, the fair competition of the market is there destroyed by Associations of the Chinese; the supercargoes are there denied access to the tribunals; and, if the Court were to be presumed innocent of any settled policy of oppressing foreigners, then the evils complained of must have been created solely by the corruption and abuses of a distant provincial administration. Lord Macartney was an Ambassador who would enjoy great prestige from his high rank and from the fact that he had once been nominated to the dignity of Governor-General over the English dominions in India. It was recommended that he should go by sea to Tientsin or some other port on the north-eastern coast, unless he was advised by the Commissioners of the East India Company at Canton that he must land at a southern port; and, if he succeeded in obtaining permission to land, he was then to assume the character and public appearance of His Majesty's Ambassador, and proceed to the Chinese Court with much ceremony and display. He was then to

> procure an audience, as soon as possible after your arrival, conforming to all ceremonials of that Court which may not commit the honor of your Sovereign or lessen your own dignity, so as to endanger the success of your negociation.

If he succeeded in this he was to express to the Emperor the high esteem in which he was held by his brother potentate, the King of Great Britain, from the wisdom and virtue with which

[1] Cf. Appendix G.

the Emperor's character had been distinguished. It was not unlikely that

the Emperor's curiosity may lead to a degree of familiarity with you in conversing upon the manners or circumstances of Europe and other countries, and as Despotic Princes are frequently more easy of access than their Ministers and Dependants, you will not fail to turn such contingency to proper advantage.

The Ambassador was not to be hampered by precise instructions, but it was suggested that he might expatiate on three important matters:

1°. That a large trade would be beneficial to both countries, and that both would derive much benefit from the export of their respective commodities.

2°. That the great extent of the English trade requires a place of security as a depot for such goods as cannot be sold or shipped during the short season, and for this purpose we wish to obtain a small tract of ground or detached island.

3°. That assurances should be given that our views are purely commercial, having not even a wish for territory.

The Ambassador might refer to past grievances in order to guard against their continuance in the future, but he was not to demand reparation, or make them a subject of dispute. If a depot should be conceded,

you will take it in the name of the King of Great Britain. You will endeavour to obtain it on the most beneficial terms, with a power of regulating the police and exercising jurisdiction over our own dependants for which competent powers would be given so as effectually to prevent or punish the disorders of our people which the Company's Supracargoes in their limited sphere of action must see committed with impunity.

Chinese subjects might be left subject to Chinese jurisdiction, or the police power might be restricted,

provided British subjects can be exempted from the Chinese jurisdiction for crimes, and that the British Chief or those under him be not held responsible, if any culprit should escape the pursuit of justice.

The depot, if conceded, should be convenient to the silk and tea producing districts, which were said to lie between the 27th and 30th degrees of North Latitude. If, however, all efforts were fruitless,

you must turn your principal attention to the relief of our present embarrassments at Canton, by an extension of our privileges and a revision of the proceedings which have taken place to our prejudice and discredit.

There is further evidence in the instructions that the authorities in London fully believed that opium (and presumably its importation) was legally prohibited in China.

It is necessary you should be on your guard against one stipulation which perhaps will be demanded from you, which is that of the exclusion of the Trade of Opium from the Chinese Dominions as being prohibited by the Laws of the Empire. If this subject should come into discussion, it must be handled with the greatest circumspection. It is beyond a doubt that no inconsiderable portion of the Opium raised within our Indian Territories actually finds its way to China; but if it should be made a positive requisition, or an article of any proposed Commercial Treaty that none of that drug should be sent by us to China, you must accede to it rather than risk any essential benefit by contesting for a liberty in this respect, in which case the sale of our Opium in Bengal must be left to take its chance in an open market, or to find a consumption in the dispersed and circuitous traffic of the Eastern Seas.

The Ambassador might feel his way to negotiating a Treaty of Friendship and Alliance; and

in case the Embassy should have an amicable and prosperous termination, it may be proposed to His Imperial Majesty to receive an occasional or perpetual Minister from the King of Great Britain; and to send one on his own part to the Court of London in the assurance that all proper honors will be paid to any person who may be deputed in that sacred character.

In a supplementary instruction [1] of the same date Lord Macartney was directed not to imperil the attainment of the general objects of his Embassy by taking up the subject of the debts owing by Chinese to British subjects since 1781.

The Ambassador was bearer of a letter [2] from the King to the Emperor, lofty in its tone, with arrogant assertion and persuasive conciliation deftly blended. To present this letter and to convey the King's congratulations and good wishes to the Emperor were the ostensible objects of his mission.

The Embassy, consisting, with its military escort, of 95 persons,

[1] Cf. Appendix H. [2] Cf. Appendix I.

left Portsmouth on September 26, 1792: and, voyaging by way of Madeira, Rio de Janeiro, Tristan d'Acunha, Amsterdam Island, Batavia, and Turon, arrived on June 20, 1793, at the Grand Ladrone. Anchoring there Lord Macartney dispatched Sir George Staunton, Mr. Maxwell (the Ambassador's secretary), and Captain Mackintosh (commanding the *Hindostan*) to Macao, in order to receive the latest information available from the Company's Commissioners (the Secret and Superintending Committee), who had not yet proceeded to Canton.

In the meantime the Commissioners had, through the Hong Merchants, transmitted to the Viceroy a letter addressed to him by Mr. Baring, Chairman of the Court of Directors, announcing the coming of the Embassy, requesting that notice be given at Peking, and giving assurances of its conciliatory character. In March the two senior merchants, Munqua and Puankhequa, came to the Commissioners, being still at Canton, with orders from the Fuyuen to inquire

> at what time His Majesty's Ship left England, and whether the Ambassador would come to Canton, or what part of the coast he would first approach.

The Committee professed their ignorance, but suggested as probable that he might pass outside, to the eastward of, Formosa, and first make the coast of Chekiang or Shantung, and that he might possibly be already at Tientsin.

On May 15th Munqua went to Macao in great distress of mind, and informed the Commissioners that he and another, undesignated, merchant had received orders to hold themselves ready to proceed at once, accompanied by two linguists, on hearing that the Embassy had arrived at any part of the coast to the east of Canton, in order to act as interpreters. This would seriously derange their business, and they were all anxious to avoid the duty:

> Some, indeed, it is suspected, have engaged the Hoppo by handsome presents, not to nominate them; these means, however, are not open to Munqua, who, as head Merchant is positively directed from Court to be of the number.

The Commissioners had been informed that Lord Macartney had engaged competent interpreters to accompany him from Europe, and were able to reassure Munqua on this point. He and from

him the Commissioners were of opinion, from all the indications, that the Emperor and central Government were inclined to give to the Embassy the most favourable reception.

On June 21st the Secret Committee met in order to receive Sir George Staunton, who brought a dispatch from Lord Macartney, acknowledging the receipt at Batavia of the Commissioners' several dispatches in which they gave such information as was in their possession. The most significant passage was the following:

> I beg you will give the enclosed letter to the Chief of the Dutch Factory at Macao, from the Government of Batavia. I understand he is directed not only to avoid entering into any intrigue, that might be prejudicial to the Embassy as he was supposed to be inclined to do, but to join in the favorable accounts of it, and in every effort, which you may judge right, to promote its views.

The Commissioners informed Sir G. Staunton verbally, and Lord Macartney by letter, that, under the general instructions of the Secret Committee of the Court of Directors, they placed their services unreservedly at the disposal of the Ambassador; and that, on June 1st, they had dispatched the *Endeavour* brig to cruise on the route to Chusan, so as to intercept the *Lion* and deliver further letters to the Ambassador's address. They offered a supply of money, which Sir G. Staunton did not think it necessary to accept, and undertook to arrange for future supplies if the Embassy should find it necessary to draw from Peking. They further sent a copy of their secret instruction to co-operate, as follows:

> The Ambassador will communicate to you from time to time such information as he may think proper for your government and such instructions as may become necessary, in the Course of his Negotiations, and you will conform to the advice and requisitions of the Ambassador, in case he should find it expedient to send any which he may judge interesting to the welfare and advantage of the East India Company.

Having thus been appointed a Secret Committee expressly for co-operation with the Embassy, they expressed the hope that no professions would be necessary to convince His Excellency with what pleasure they would perform that part of their duty.

Lord Macartney sailed from the Grand Ladrone on June 23rd,

and on the 26th a deputy came to Macao from the Hoppo, to inquire into the movements of the Embassy.

It appeared that the object of his visit was, as well to furnish the Ambassador with such necessaries as he might require at the Emperor's Expense, as to enquire into the names and number of His Excellency's retinue, the list of presents, and the number and force of his Majesty's Ships. The Mandarin lamented that their ignorance of the Ambassador's Intentions to approach Macao, and the shortness of his stay in the neighbourhood, had put it out of the power of the Government of Canton to administer to the necessities of the Squadron. . . . Their present inquiry seems rather from a view to approve their Zeal & Diligence than convey material information to the Court.

This was evidence that, even at Canton, fiscally and racially opposed to the objects of the Embassy, the favour with which the Emperor was disposed to regard its coming had produced a marked effect on the officials administering the provinces.

On July 14th the Governor and Hoppo revived the project of sending two Hong Merchants, Munqua and Geowqua, to join the Embassy, alleging a fear lest a trade might be attempted at Chusan or elsewhere. The Committee explained that it was improbable that the Embassy would attempt to trade, and seized the opportunity to inquire how they might communicate with the Ambassador while he was in the north. On August 8th they received an answer.

In reply to our requisition of a free communication with the Ambassador, the Hoppo, whose opinion on the occasion it seems has had too much weight with the Fouyuen, took upon himself to say that no letters would be permitted to pass without their Exc^{s} being previously made acquainted with the substance of them.

The Committee decided that it would be inadvisable to transmit any letters through Chinese channels with this condition attached, since they would be precluded from mentioning any grievances connected with their trade,

tho' we are desirous to apprize Lord Macartney of a report, which seems well founded, of the declaration of war against France.

A month later, on September 8th, the news of war was confirmed by a communication received on July 7th at Bombay from London via Bussora (Basra), together with dispatches for Lord Macartney. Even more important than this in its relation to

the Embassy was an item of news received in a private letter from Bengal by one member of the Committee :

> The Chinese General, of whom you may perhaps have heard, who has been sent by the Emperor to punish his refractory Vassal of Nepaul, and who some months back wrote to his Lordship [the Governor General] as Chief of the Fringees, commanding him to assist in this ; has lately addressed a more respectful letter thanking his Lordship for the ready part he took in having sent a Mediator (Captain Kirkpatrick) into Nepaul to settle the Dispute, and approving of his Lordship's reasons, sent to him, for not having adopted, as he was ordered by him, a more violent and active part, in seizing and sending the Rajah to him, dead or alive, the latter of which was recommended ; and he has further given his assurances that he will therefore recommend his Lordship to the favor of his Imperial Master ; an anecdote this which is not generally known here, but which, independent of its singularity, is curious, that such an unexpected event should have taken place at the Moment of our National Embassy to that Quarter.

The Commissioners could only suppose that this news was also referred to in dispatches which they had received from the Governor-General for transmission to Lord Macartney ; and, not daring to trust to Chinese channels for their conveyance, they bought a Portuguese snow of 150 tons for 10,500 dollars, provided her with a crew, renamed her the *Iphigenia*, and dispatched her on October 5th with instructions to sail direct to Tientsin.

The Ambassador in the meantime had arrived at Chusan on July 3rd, and had been received with great respect and every assistance that he required ; and arrived off Taku, at the mouth of the Peiho, on July 25th, still out of sight of the low coast, but as near as the *Lion* could venture. He landed on August 5th, receiving every possible attention, both before and after landing, from numerous officials up to the Viceroy, who came all the way from the provincial capital, Paotingfu, to welcome him in person and to facilitate his progress to the Court. He was, in fact, received with every mark of respect, of honour, and of courtesy, by every person he came in contact with, from the Emperor downwards—excepting only by the legate who was attached to the Embassy as representative of the Emperor ; but, from the moment he landed at Taku on August 5th, until his arrival by inland route at Canton on December 19th, he was completely

cut off from all communication with the outside world, unable to send letters to, or receive them from, the Company's Commissioners at Canton; only one of the Ambassador's letters to Sir E. Gower on the *Lion* was transmitted, while only thrice did he receive any letters, once on August 24th from Tengchowfu, once on October 2nd announcing the approaching departure of the *Lion* from Chusan, once on November 11th informing Lord Macartney that the ship would soon be at Macao. Of the war with France he had no news; and he had no intimation of the Nepaul affair beyond some mysterious questions by the Chinese officials on August 16th, on his arrival at Tungchow on the way to Peking.

For the highly honourable treatment of Lord Macartney in all matters of ceremony, both in his audiences of the Emperor and his personally conducted progress through the heart of the Empire, the student may be referred to the various published narratives;[1] but the following itinerary may be useful:

Sept. 26, 1792. Embassy sailed from Portsmouth.
June 20, 1793. Arrived at Grand Ladrone.
July 3. Arrived at Chusan.
,, 25. Arrived off Taku.
Aug. 5. Landed at Taku.
,, 21. Arrived at Peking; proceeded to Yuenmingyuen.
Sept. 2. Left Peking for Jehol.
,, 8. Arrived at Jehol.
,, 14. First audience of the Emperor.
,, 17. Second audience, on Emperor's birthday.
,, 21. Left Jehol for Peking.
,, 26. Arrived at Peking.
,, 30. Embassy attended on Emperor's entry into Peking.
Oct. 3. Ambassador presented note of his requests.
,, 7. Reply received to note, and to King's letter.
,, 7. Embassy left Peking.
Nov. 9. Arrived at Hangchow.
,, 14. Left Hangchow.
Dec. 19. Arrived at Canton.
Sept. 5, 1794. Lord Macartney arrived in London.

[1] Notably Lord Macartney's own diary, reproduced in Helen H. Robbins, *Our First Ambassador to China*; also the contemporary narratives of members of the Embassy, Sir George L. Staunton, John Barrow, Aeneas Anderson, &c.

In the matter of ceremonial Lord Macartney had little to complain of, beyond the fact that he and all the members of the Embassy were, from first to last, little more than prisoners in silken bonds. Provisions were supplied, pilots were provided, and the transport of the Embassy and the presents was arranged for, all at the charge of the Emperor from the time they first came in touch with Chinese officials up to the time when they left Canton, on January 10th, and proceeded to Macao; and a few instances of contretemps were at once glozed over by the tact always manifested by Lord Macartney. But in the business for which he had come to China he could make no progress. He had no opportunity of opening up the matter to the Emperor himself, and all his attempts to broach the subject to the ministers of the Emperor were coolly brushed aside. Finally by his persistence he succeeded, after his return to Peking, in handing in a note embodying briefly the principal points on which he wished to negotiate:

1°. A request to allow the English merchants to trade to Chusan, Ningpo, and Tientsin.

2°. To allow them to have a warehouse at Peking for the sale of their goods, as the Russians had formerly.

3°. To allow them some small, detached, unfortified island in the neighbourhood of Chusan as a magazine for their unsold goods, and as a residence for their people to take care of them.

4°. To allow them a similar privilege near Canton, and some other trifling indulgences.

5°. To abolish the transit duties between Macao and Canton, or at least to reduce them to the standard of 1782.

6°. To prohibit the exactions of any duties from English merchants, over and above those settled by the Emperor's diploma, a copy of which was requested to be given them, as they had never yet been able to see it for their unequivocal direction.

This was the modest Charter of Rights for the English trade, put forward in 1793 and won by force of arms in 1842. In its consideration now, as in all matters relating to the foreign trade, it may be said that there were two parties in the Emperor's councils. It may be said, rather with sanguine hope than with

any belief in its actual existence, that there was the party of the statesmen of the Empire, mainly Chinese by race, concerned for the welfare of the country and the beneficent administration of the provinces, who might see clearly that the encouragement of trade and the removal of shackles which hampered its development were a most important agency in securing the well-being of the people and the stability of the Empire. That such statesmanship was common in England at that time is contradicted by many proofs during the eighteenth century, but is evidenced by some proofs, notably by the passing of the Tea Commutation Act of 1783; that it was common in China is disproved by the whole history of the eighteenth and nineteenth centuries. In China the emoluments of even the greatest and wisest statesmen were obtained by methods which involved the taxation of trade, and not its encouragement; [1] but occasionally, even in China, one here and there would rise above his environment and prove himself a true statesman.

Against this party, in so far as it may have existed, stood the party of the Manchu nobility and ministers, and the Court itself, which shared in the irregular and unregulated, but not illegal, gains of the Hoppo at Canton.[2] To this dominating party it was obvious that the Hoppo, and his control and his methods, must at all costs be maintained; and an answer was promptly returned to Lord Macartney in a curious mixture of paragraphs addressed alternately to King George and to his Ambassador.[3]

To the Ambassador. Wisdom of the King in selecting Lord Macartney as his Ambassador.

To the King. His Ambassador has been received in all honour; he has made proposals to which the Emperor cannot assent—if granted to the English, must be granted to all.

To the Ambassador. The King dwelling afar, cannot be well acquainted with Chinese manners and institutions.

To the King. Proceeds to examine the proposals one by one.

1°. Proposed to open Ningpo, Chusan and Tientsin to trade; there are no interpreters or warehouses there suitable for the trade, and the proposal cannot be acceded to.

[1] Cf. Morse, *The Trade and Administration of China*, chap. iv; *The International Relations of the Chinese Empire*, vol. i, chap. ii.

[2] For an appreciation of the Hoppo's functions, cf. *Trade and Administration* (3rd ed.), pp. 111, 308, 359; *International Relations*, vol. i, pp. 15, 34, 68.

[3] Cf. Appendix J.

2°. Proposed to permit trade at Peking, as was once done for the Russians. Long ago the privilege was withdrawn from them, and a mart was opened at Kiakhta for their benefit; the privilege cannot then be granted to the English.

3°. Proposed that the Island of Chusan [perhaps an island near Chusan] be ceded to serve as depot. No island or even inlet of the Empire can be ceded to any nation, and this proposal is rejected.

4°. Proposed also to have a depot near Canton or Macao. Merchants must do their business in Canton, and may remain at Macao when the season is ended; so only can broils between Chinese and foreigners be avoided, and the proposal is rejected.

5°. Exemption was claimed from duties paid in going to and from Macao; in future no more will be required than what is due, nor will less be taken.

6°. For the payment of measurage dues all must conform to established practice.

Finally the propagation of the English religion is a matter which can by no means be allowed. [This was probably interpolated by the missionaries attached to the Court, as there is nothing to show that Lord Macartney ever raised the question.]

To conclude, as the Requests made by your Ambassador militate against the Laws and Usages of this Our Empire, and are at the same time wholly useless to the End proposed, I cannot acquiesce in them. I again admonish you, O King, to act conformably to my Intentions, that we may preserve Peace and Amity on each Side, and thereby contribute to our reciprocal Happiness.

In the journey from Hangchow to Canton by an inland route (up the Tsientang River, over the watershed into Kiangsi, skirting the Poyang Lake, up the Kan River, over the Meiling Pass, down the North River to Canton) Lord Macartney travelled in company with the new Viceroy, promoted from being Governor of Chekiang to the post of Viceroy of the Two Kwang.[1] In writing to Canton on his appointment the Viceroy had informed the Governor that

he should repair to Canton with all possible expedition, as he had received orders from the Court to make preparations for the English Ambassador; who had been most graciously received at Court, and had obtained the Emperor's permission to travel thro' his Country to Canton; and was to be treated in all the Provinces he might pass, with distinguished Marks of honor and attention.

[1] By Lord Macartney he is always styled 'The Viceroy'. The Secret Committee record his name as Cheonlong (or Cheoulong). Sir G. T. Staunton (*China Trade*) refers to him as Sun-ta-gin (Sun Tajen). His name was probably Shun-Lung.

This was recorded by the Secret Committee on October 15th, and must have been written at Hangchow about the date (October 7th) on which the Embassy left Peking, when Lord Macartney expected to find the *Lion* still at Chusan and intended to take passage in her to Canton. It was not his intention to travel by the inland route, while it appears to have been the intention of the administration to coerce him into it; but, admitting this, it was manifestly intended that all honour should continue to be paid to him. The passage cited strikes the key-note of the attentions which were paid to him at all points along the long course from Peking by Chinkiang, Hangchow, Nanchang, to Canton, and also of the attitude consistently maintained to him by the Viceroy, as may be seen from a few excerpts from Lord Macartney's diary:[1]

Nov. 7. [At Changchowfu on the Grand Canal.] Sun-ta-gin [high civilian official attached to the Embassy] has shown me a letter just received from Court, by which he is directed to put the Embassy under the care of the new Viceroy of Canton, who is soon to set out for that place, and to conduct us thither. . . . He desired me to tell Captain Mackintosh that if the *Hindostan* was disappointed of a cargo at Chusan, he should nevertheless have the same privileges when he came to Canton that were promised for Chusan, and that, as a particular compliment for the Embassy and on account of the ship's connexion with it, she should be exempted from the payment of any measurage or other duties. [At Canton the ordinary procedure was followed for the *Hindostan*, and measurage dues (Tls. 2,217 + 1,950 = 4,167) were paid on her according to precedent, but were subsequently refunded.]

Nov. 9. [Arrived at Hangchow. The Viceroy at once visited the Ambassador on his yacht.] I thought his appearance much to his advantage. He is perfectly well bred, and the whole of his manner candid and gentleman-like. He confirmed to me everything Sun-ta-gin had said upon business, and particularly mentioned the Emperor's instructions to him to pay the greatest regard to the English at Canton, who, on every occasion, he said, should have free access to him in person or by letter. . . . [Captain Mackintosh having expressed a wish to trade at Ningpo or Chusan] we gave it up with a good grace upon the Viceroy's repeating the assurances given before of the *Hindostan* being exempted from the payment of measurage and duties at Canton.

Nov. 10. The Viceroy paid me a visit, and repeated in still stronger terms than yesterday the assurances and declarations of the Emperor's favour, and of his own particular good wishes and disposition towards us.

[1] Robbins, *Our First Ambassador, passim.*

Nov. 12. The Viceroy made us another visit, and improves upon us every time we see him.

Nov. 17. The Viceroy returned my visit, and began of his own accord to talk of the trade . . . he desired me to explain to him the principal points in which I wished his assistance when we came to Canton. When I had done this he requested me to give it to him in writing . . . that he might read it at his leisure in order to be master of the subject, for he was determined to do what was equitable and proper, to grant what was reasonable and to deny what was not so. He was sensible that some changes of conduct towards us would be right, both for the sake of justice and the reputation of his country. But he confessed that, though his affinity to the Emperor [1] and his rank in the State afforded him strong ground to stand upon, yet he had measures to keep and delicacies to observe, for he was well aware of the counteraction he might expect at Canton from those who may perhaps be interested in the continuance of those very grievances we suffered. [The Viceroy then referred to the attitude of the Court and ministers towards the Embassy, which he declared was friendly; but Lord Macartney informed him that he should have already written to report it unfriendly were it not for the present assurances of the Viceroy, and that he had actually modified the tone of his report.] That thus the matter now stood, and that it rested with him to determine whether I had deceived my own Court or not. It was from what he should do, not what I should write, that they would form a judgement.

Nov. 21. [In crossing into Kiangsi they passed through tea plantations and Lord Macartney was allowed by the Viceroy] to take up several tea-plants in a growing state with large balls of earth adhering to them, which tea-plants, I flatter myself, I shall be able to transmit to Bengal.

Nov. 30. The Viceroy paid me a long visit this evening. . . . He suspects great peculation among the public officers at Canton, and that the Emperor is much defrauded in his revenue there. [In this the Viceroy showed either great innocence, or as great subtlety in trying to ascertain if this was the foundation of the Ambassador's grievances.]

Dec. 11. [At Nan-chou-fu (actually Namyungchow). The Viceroy parted company, going ahead to prepare for the Ambassador's reception at Canton.] When he took leave of us today he told us that he had written to the Emperor in such terms upon our subjects that he was persuaded we should leave China, not only without dissatisfaction, but with essential proofs.

Dec. 19. [The Ambassador was received in state by the Viceroy, Governor, Hoppo and the principal Mandarins of rank, all dressed in their robes of ceremony.] The Viceroy conducted the whole ceremony

[1] The Viceroy was presumably a Manchu, probably a Yellow Girdle Imperial Clansman, possibly only a Red Girdle Collateral.

with the greatest dignity and propriety, distinguishing us by the most pointed marks of respect and regard . . . and evincing in every instance the high consideration the Embassy was held in by the Government.

In point of ceremony Lord Macartney could have had little to complain of, even before he left Peking; and now, in the business which it was the purpose of the Embassy to further, he may well have found reason to congratulate himself on a successful issue. He was ultimately disappointed in all his hopes. As had happened once before, in 1736,[1] the Emperor's gracious intentions were defeated by 'those who might perhaps be interested in the continuance of those very grievances we suffered', as the Viceroy had remarked to Lord Macartney on November 17th; and the Ambassador may even have had a premonition of that result.

Dec. 21, 22, 23. [At Canton] These three days have been chiefly taken up in receiving visits from the Viceroy, the Fooyen or Governor, the Hoppo, [etc.]. The great public honours and respect paid here to the Embassy cannot fail, I think, to have a very good effect upon the people in favour of our factory. In these visits I explained at length the different grievances of our trade.[2] The Hoppo was averse to any alterations, and wished everything to remain as he found it. The Viceroy thought every reasonable alteration should be made, and they debated together with great earnestness for a considerable time. The subject was renewed again and again, and I should hope, from the Viceroy's professions and assurances, that we have got the better of the Hoppo.

Ultimately, and in no long time, the Hoppo prevailed, and the friendly Viceroy was defeated in his purpose, being recalled from his post six months later, before the opening of the next shipping season. The Embassy failed in the business for which it had been dispatched to China, and the procedure under which the foreign trade was conducted became even more fixed and regularized.

From June to December the Commissioners at Canton were without direct, or even authentic, news of the Embassy. From time to time they heard vague reports of its progress, and in October they were informed by the officials, by verbal statements through the merchants, that the Ambassador had had an audience of the Emperor of the most favourable character, and

[1] Cf. *antea*, chaps. xxiv and xxv. [2] Cf. Appendix K.

that he was leaving, or had left, Peking to journey south on October 7th. Half believing and half disbelieving this news, the Secret Committee included it in a report to the Court of Directors on October 25th sent by an American vessel sailing direct to Ostend; but this report can hardly have been received before April, and the Government can have had no knowledge of the success or failure of the Embassy at the date, March 1st, on which the King promoted Lord Macartney to be Earl in the Irish peerage. His diplomatic and administrative ability were recognized, and he was engaged in the service of the State during the rest of his life; but it does not appear that any honours were conferred on him in recognition of the results of his Embassy to China—not even the English peerage which had been denied to him in 1786, and which he received in June, 1796, on his return from an embassy to Louis XVIII in exile.

APPENDIX G

Instructions to Lord Macartney, Sept. 8, 1792

My Lord,

Having to signify to your Excellency His Majesty's commands and Instructions on the subject of the Embassy to which he has been pleased to appoint you, I shall introduce them by recalling to your attention the occasion and subject of this measure.

A greater number of His Majesty's Subjects than of any other Europeans have been trading for a considerable time past in China—The commercial intercourse between several Nations and that great Empire has been preceeded, accompanied or followed by Special communications with its Sovereign—others had support of Missionaries who from their eminence in Science or ingenuity in the Arts were frequently admitted to the familiarity of a curious and polished Court, and which Missionaries in the midst of their cares for the propagation of their faith are not supposed to have been unmindful of the views and interests of their country, while the English traders remained unaided, and, as it were, unavowed at a distance so remote as to admit of a misrepresentation of the national character and importance, and where too their occupation was not held in that esteem which ought to procure them safety and respect.

Under these circumstances it would become the dignity and character of His Majesty to extend his paternal regard to these his distant Subjects, even if the Commerce and prosperity of the Nation were not concerned in their success, and to claim the Emperor of China's particular protection for them with that weight which is due to the requisition of one great Sovereign from another.

A free communication with a people, perhaps the most singular upon the Globe, among whom civilization has existed and the Arts have been cultivated through a long series of Ages with fewer interruptions than elsewhere is well worthy also of this Nation which saw with pleasure and applauded with gratitude the several Voyages undertaken already by His Majesty's command and at the public expense in the pursuit of knowledge and for the discovery and observation of distant countries and manners.

The extent and value of the British Dominions in India, which connect us in some degree with every part of that country, point out also the propriety of establishing sufficient means of

representation and transaction of business with our principal neighbours there.

The measures lately taken by Government respecting the Tea Trade having more than trebled the former legal importation of this article into Great Britain, it is become particularly desirable to cultivate a friendship and increase the communication with China which may lead to such a vent throughout that extensive Empire, of the manufactures of the mother country and of our Indian Territories as beside contributing to their prosperity will out of the Sales of such produce furnish resources for the Investment to Europe now requiring no less an annual sum than one million four hundred thousand pounds.

Hitherto, however, Great Britain has been obliged to pursue the Trade with that Country under circumstances the most discouraging, hazardous to its Agents employed in conducting it and precarious to the various interests involved in it. The only place where His Majesty's Subjects have the privilege of a Factory, is Canton. The fair competition of the market is there destroyed by Associations of the Chinese—Our Supercargoes are denied open access to the Tribunals of the Country, and to the equal execution of its Laws, and are kept altogether in a most arbitrary state of depression, ill suited to the importance of the concerns, which are entrusted to their care, and scarcely compatible with the regulations of Civilized Society.

Whether these evils have arisen from any settled policy of the Imperial Government, or from any ill founded jealousy of our national influence, or whether they are created merely by the corruption and abuses of a distant Provincial Administration, it will be your business to ascertain, as it will be among the chief objects of your present mission to endeavour to obtain a remedy for them, and you will render an acceptable service to your Country, if you shall be successful in the accomplishment of His Majesty's wishes which I have His Royal commands to impart to you together with such further instructions as may seem best calculated to promote the object of your mission. At the same time you may proceed in the reliance that in an undertaking both new and delicate and liable to be influenced by various contingencies which may arise in its process, every reasonable latitude will be allowed to your own discretion.

A common opinion has prevailed that the Chinese in general are studious to avoid any intimate connection or intercourse with Europeans, and that a similar principle operates upon the Imperial Government of Pekin—However, although commercial jealousy aided by the tyranny and corruption of distant Delegates under a despotic Sovereign and the general depravity of the Inhabitants may have had that effect in the Province of

Canton, the representations of various Travellers afford the strongest reason to believe that the Emperor himself is accessible, that the reception of Foreigners at Pekin is courteous, whatever opinions they may entertain on the policy of encouraging foreign trade of which even at this moment, it must be confessed, we are extremely in doubt.

If political jealousy were the chief principle to excite such alarm in the Chinese as should lead them to discourage the entrance of foreigners, it is probable it would apply with singular force against the Russians, who, from the propinquity of their Dominions, the reputed greatness of their power, and the danger of their leaguing with the Princes of those Tartar countries which have sent forth the former conquerors of China, would be most likely in imagination at least to cause distrust in the reigning Government, and might possibly affect its security.

The contrary may be inferred from the admission of the Russian Embassy to Pekin under Peter the first, the subsequent residence of a Russian Agent at Pekin, and from the commercial intercourse frequently allowed since, as well indeed as from the reputed wisdom of the Chinese Administration ; and a national character is not to be formed, nor the dispositions of the Superior Government estimated from the practices of a Seaport situated at the most distant extremity from the Metropolis, and a Province formerly the seat of Pirates and Robbers.

But if contrary to these suppositions and inferences, such jealousy, from whatever cause it may arise, should be found to exist, it will depend upon your management to obviate it by declarations the most free and unqualified, that in seeking to improve our connections with China, we have no views but the general interests of humanity, the mutual benefit of both nations, and the protection of our Commerce under the Chinese Government, subject nevertheless to it's Laws and regulations, and formed upon a permanent principle equally beneficial to the subjects of both countries.

It is supposed that former endeavours made by the English, or other European Companies, to represent their grievances at the Court of Pekin, and to obtain defined privileges for their Trade, have failed from the intrigues of the Mandarines and Merchants of Canton, and from the inferior character of the persons who have been sent on such commissions. It has therefore been determined to attempt an Embassy to the Emperor himself, in the name of His Majesty The King of Great Britain. In which view it is presumed that a person of your Lordship's rank, who has already been honored and entrusted by the King in Stations of great trust and power, who has been successfully employed for the similar purpose of cementing friendship and

regulating commerce with the Russian Empire, and has been appointed to the Government of the British Dominions in India, would be most likely to meet with a favorable reception from a high minded people, accustomed to think lightly of the commercial character. The propriety of fixing this Embassy on a person thus dignified is enforced by the decided opinion of those who have been most experienced in the Company's concerns at Canton, and who have been Witnesses of the vexations under which they labour.

I observe that in the year 1753 an Ambassador from the King of Portugal sent for the purpose of obtaining some privileges for the Church, was allowed to proceed without interruption from Canton to Pekin, and was treated with great honor, but His Majesty leaves that to your own discretion whether to pursue that route or not. You must however be aware that every obstacle is likely to be thrown in your way from that quarter.

Objections of a similar nature would lie against your proceeding with a Russian Caravan, and the newly discovered communication through Thibet from Bengal seems too long and hazardous, as well as doubtful in the result.

It may therefore be better to proceed if possible directly by sea to some port on the east or north east coast of the Chinese Empire and to request a safe conduct for your advance from such port to the Capital in order to deliver your credentials with the Letter from your Royal Master to His Imperial Majesty. This precaution will be absolutely necessary, if, as I presume to be the case, that no Ambassador enters the Chinese Dominions without permission previously obtained.

But it is probable that before you reach the Coast of China you will receive such information from the Commissioners who were sent by the Court of Directors in the last ships to Canton on the subject of the notification made of the intended Embassy as will determine your route.

If it shall be absolutely necessary to stop at some Southern port of China before you proceed to the Northward, you will touch at Macao or Canton, where you will require and collect by the Company's Council, or by private enquiry such facts and information as may be useful to you in the prosecution of the objects of your Embassy, and receive such further aid as may be necessary to enable you to proceed from thence to the northward. If some cogent reason should occur to render an approach to Pekin by a northern port ineligible you will be under the necessity of proceeding by land from Canton, and must require such further aid and information as may be necessary to enable the Embassy to pursue that route.

His Majesty from his earnest desire to promote the present

undertaking and in order to give the greatest dignity to the Embassy has been graciously pleased to order one of His Ships of War to convey you and your suite to the Court of China. With the same view he has ordered a military guard to attend your person to be composed of chosen men from the Light Dragoons, Infantry and Artillery with proper Officers under the command of Major Benson whom he has determined to raise to the rank of Lieutenant Colonel upon this occasion. This guard will add splendor and procure respect to the Embassy, the order, appearance and evolutions of the Men may convey no useless idea of our Military character and discipline, and if it should excite in the Emperor a desire of adopting any of the exercise or manœuvres among his Troops, an opportunity thus offers to him for which a return of good offices on his part is naturally to be expected. It will be at your option to detach one of the Lieutenants of the Ship, or of your guard in His Majesty's uniform to accompany the Messengers whom you will send to announce at Pekin your arrival on the Coast, if you should approach that Capital by Sea.

Besides the Chinese Interpreters whom you have already procured, you will perhaps meet in your progress some Portuguese, Spanish, or Italian Missionary or other intelligent person free from national attachment or prejudices, who may be useful to be employed in your service.

Should your answer be satisfactory, and I will not suppose the contrary, you will then assume the character and public appearance of His Majesty's Ambassador Extraordinary, and proceed with as much ceremony as can be admitted, without causing a material delay, or incurring any unreasonable expense ; you will procure an audience as early as possible after your arrival, conforming to all ceremonials of that Court which may not commit the honor of your Sovereign or lessen your own dignity, so as to endanger the success of your negociation.

Whilst I make this reserve I am satisfied you will be too prudent and considerate to let any trifling punctilio stand in the way of the important benefits which may be obtained by engaging the favorable disposition of the Emperor and his ministers. You will take the earliest opportunity of representing to His Imperial Majesty that your Royal Master already so justly celebrated in foreign Countries on account of the voyages projected under his immediate auspices for the acquisition and diffusion of knowledge, was from the same disposition desirous of sending an Embassy to the most civilized as well as most ancient and populous nation in the world, and to communicate and receive the benefits which must result from an unreserved and friendly intercourse between that Country and his own.

You will take care to express the high esteem which His Majesty has conceived for the Emperor from the wisdom and virtue with which his career has been distinguished. A like compliment may be made in the event of the death of Kien-long, to the Prince who will be his successor, as he has been in the management of the public affairs for some time.

It is not unlikely that the Emperor's curiosity may lead to a degree of familiarity with you in conversing upon the manners or circumstances of Europe and other countries, and as Despotic Princes are frequently more easy of access than their Ministers and Dependants, you will not fail to turn such contingency to proper advantage. I do not mean to prescribe to you the particular mode of your negociation, which must be left to your circumspection and the judgement to be formed upon occurrences as they arise; but upon the present view of the matter, I am inclined to believe, that instead of attempting to gain upon the Chinese Administration by representations founded upon the intricacies of either European or Indian politics, you should fairly state, after repeating the general assurances of His Majesty's friendly and pacific inclinations towards the Emperor, and his respect for the reputed mildness of the administration; first, the mutual benefits to be derived from a trade between the two nations, in the course of which we receive, beside other articles, to the amount of twenty millions of pounds weight of a Chinese herb which would find very little vent, as not being in such general use in other countries, European or Asiatic, and for which we return woollens, cottons and other articles useful to the Chinese, but a considerable part is actually paid to China in Bullion.

Secondly that the great extent of our commercial concerns in China requires a place of security as a depot for such of our goods as cannot be sold off or shipped during the short season that is allowed for our Shipping to arrive and depart; and that for this purpose we wish to obtain a grant of a small tract of ground or detached Island, but in a more convenient situation than Canton, where our present Warehouses are at a great distance from our Ships, and where we are not able to restrain the irregularities which are occasionally committed by the Seamen of the Company's Ships, and those of private Traders.

Thirdly, that our views are purely commercial, having not even a wish for territory, that we desire neither fortification nor defence, but only the protection of the Chinese Government for our Merchants or their Agents, in trading or travelling through the country, and a security to us against the encroachment of other powers who might ever aim to disturb our trade; and you must here be prepared to obviate any prejudice which

may arise from the argument of our present dominions in India, by stating our situation in this respect to have arisen without our intending it from the necessity of defending ourselves against the oppressions of the revolted Nabobs, who entered into cabals to our prejudice with other nations of Europe, and disregarded the privileges granted to us by different Emperors, or by such other arguments as your own reflections upon this subject will suggest.

This topic I have reason to believe will be very necessary to enforce by every means in your power, as it is the great object of other European Nations to inspire not only the Indian powers, but likewise the Emperor and Ministers of China with an idea of danger in countenancing the Subjects of Great Britain, as if it were the intention of this Country to aim at extending its territory in every quarter; as nothing can be more untrue than these representations, it will not be difficult for you to find arguments which may counteract the effect of them.

If any favorable opportunity should be afforded to your Excellency it will be advisable that the difficulties with which our Trade has long laboured at Canton, should be represented. But in making such a representation you will endeavour to convince the Emperor, that it is far from His Majesty's design to attribute any act of misconduct to persons employed under the Chinese Government, but with a view only to apprize His Imperial Majesty that such difficulties do exist in full confidence that from his wisdom and justice they will not hereafter be experienced.

Should a new establishment be conceded, you will take it in the name of the King of Great Britain—you will endeavour to obtain it on the most beneficial terms, with a power of regulating the police and exercising jurisdiction over our own dependants for which competent powers would be given so as effectually to prevent or punish the disorders of our people which the Company's Supracargoes in their limited sphere of action must see committed with impunity—Should it be required that no Native Chinese be subject to be punished by our jurisdiction, or should any particular modification of this power be exacted, it is not material ultimately to reject either of these propositions provided British Subjects can be exempted from the Chinese jurisdiction for Crimes, and that the British Chief or those under him be not held responsible, if any culprit should escape the pursuit of justice, after search has been made by British and Chinese Officers acting in conjunction.

If the Emperor should be inclined to allow such an establishment, great care should be taken in fixing upon the situation, that it may be such as may suit the safety and convenience of

our Shipping, that it may facilitate the vent of the goods we may import there; and that it may be near the countries where the best sorts of Teas are produced, and which are described as lying between the 27th and 30th degrees of North Latitude; but admitting the choice to be granted, perhaps it may even then be impossible to embrace in it the several objects to which I have adverted—the principle, however, having been once admitted by the Chinese Government, it is hoped that Your Excellency might by good management succeed in obtaining a second establishment by which all these objects may possibly be attained. I mention these points as being extremely important in themselves, at the same time I am sensible that the choice of a place or places, if you should be so fortunate as to have the option left to you, must be governed by a variety of considerations to which few, if any in this country can be totally competent, and you must therefore be regulated by the best information you are able to obtain from persons you will meet with abroad conversant on the subject, or by circumstances to arise as you proceed in the business.

If on the other hand all your attempts to obtain a new establishment, should be decidedly ineffectual, you must turn your principal attention to the relief of our present embarrassments at Canton, by an extension of our privileges, and a revision of the proceedings which have taken place to our prejudice and discredit; and whatever may be the decision of the Imperial Government, unless, indeed, it should be a rejection of all your requests, it will be desirable to obtain it in writing under such formalities as are usual on such occasions.

It is necessary you should be on your guard against one stipulation which perhaps will be demanded of you, which is that of the exclusion of the Trade of Opium from the Chinese Dominions as being prohibited by the Laws of the Empire—If this subject should come into discussion, it must be handled with the greatest circumspection. It is beyond a doubt that no inconsiderable portion of the Opium raised within our Indian Territories actually finds its way to China; but if it should be made a positive requisition, or an article of any proposed Commercial Treaty that none of that drug should be sent by us to China, you must accede to it rather than risk any essential benefit by contending for a liberty in this respect, in which case the sale of our Opium in Bengal must be left to take its chance in an open market, or to find a consumption in the dispersed & circuitous traffic of the Eastern Seas.

A due sense of the wisdom and justice of the King of Great Britain, which it will be your business to impress, as well as of the wealth and power of this country, and of the genius and

knowledge of its people, may naturally lead to a preferable acceptance of a Treaty of friendship and alliance with us as most worthy of themselves, and in a political light as most likely to be useful to them from our naval force being the only assistance of which they may foresee the occasional importance to them.

In case the Embassy should have an amicable and prosperous termination, it may be proposed to His Imperial Majesty to receive an occasional or perpetual Minister from the King of Great Britain; and to send one on his own part to the Court of London in the assurance that all proper honors will be paid to any person who may be deputed in that sacred character.

During your residence in China it will be an object highly worthy of your attention and best efforts, to endeavour to encrease our Exports to China as well in the assortments usually sent as in any other products or Manufactures of Great Britain and of our Indian territories which might be favorably received by the Chinese. The Directors of the East India Company, who have ordered one of their ships to accompany the Embassy, have shipped on board a great variety of articles of British goods not for the purpose of Sale, but to be dispersed and distributed by you in the most likely manner to excite a taste for and establish the use of such Articles in China. They have also shipped a great variety of patterns and Specimens of our Manufactures, that the Chinese may be able to judge from thence of their quality and perfection, and how far they may be adapted to their climate taste and manners.

You will naturally in the course of your residence in China extend your remarks as far as can be done without exciting jealousy, which must be carefully avoided, to every circumstance likely to throw a light upon the present strength, policy and government of that Empire, now less understood in Europe than they were in the preceding century. It would be likewise desirable to ascertain whether any and what intercourse has taken place of late years between the Emperor of China and any other European State.

You will carry with you some considerable presents for the Emperor and Chief persons of his Court, which you will distribute in such a manner as you may judge most advisable to answer the purposes of your mission. Your Excellency will also in addition to the Specie put on board the *Hindostan* have a credit upon the Factory at Canton for such sum of money, as, it is conceived, will be necessary to answer all contingent purposes.

Besides the persons immediately useful in your negociation you are allowed to take with you others, who being versed in

such sciences and arts as are most esteemed in China, may tend to increase the respect for the country from whence they came, and are no doubt provided with the materials and instruments necessary for making the most curious and striking experiments, especially such as from their novelty are not likely to have been formerly exhibited by the Missionaries in China, or not at least upon so extensive a scale. Models of the latest inventions of this Country cannot fail to gratify a curious and ingenious people; and so liberal a procedure may probably obtain in return, a free inspection, as well as models of their numerous inventions, together with accounts and descriptions of their most valuable arts and Manufactures and Specimens of their most useful productions.

With these instructions you will receive a letter from His Majesty especially addressed to the Emperor Kien-long—But as from his great age and infirmities his death has been for some time expected, you will receive another letter to the Emperor of China for the time being.

It is possible that you may find it either necessary or expedient to touch upon the Coast of Japan. That Country produces Tea as good as, and probably cheaper than that of China. The difficulties of trading there, which have so long deterred other nations from attempting it, are now said to have almost ceased.

It is [not] impossible that the competition of the Japan market with that of China might render the Commodities of both places cheaper to the purchaser. The probability of such a resource might at least operate in some degree to facilitate the negociations at Pekin.

You will therefore likewise receive a letter addressed to the Emperor of Japan which you will either deliver, send or suppress as circumstances may induce you to think necessary or advisable.

In the small but fertile Kingdom of Cochin China not only Tea but Sugar in great abundance is said to be produced, and exported from thence at a cheaper rate than from any other part of the East or West Indies. The alarming increase in the price of the last article in Europe not only affects the lower class of the people, among whom it has become a necessary of life; but the public revenue, as well in its own diminished consumption, as in that of other taxable articles with which it is used. This consideration renders any Country that is likely to supply the want of it at a reasonable rate an object of attention in the present instance. It is not impossible that in the course of the voyage you are about to undertake, you may have occasion to touch at places where you may, if sufficiently authorized improve our Trade or introduce our Manufactures.

It is therefore thought advisable to give you a general letter and commission to the States and Princes of the East, relying upon your tried prudence and discretion in the use of it; as in general a variety of circumstances may occur upon the spot to which no instructions can be made to apply, His Majesty is willing to entrust Your Excellency with a discretionary power to avail yourself of them, guarding at all times against the possibility of committing either your Sovereign or your Country, and that you will be determined at all events not to put to any hazard the advantages which the East India Company already enjoys in its Commerce with China.

As it is expedient to provide for the contingency of your death, and for the event of your returning to Europe before any person is sent to relieve you, or your occasional absence from the Capital by having a person in the character of resident Minister there, or in case you should find it necessary to send a person in a public character to Japan, Cochin China or elsewhere His Majesty is graciously pleased to grant dormant credentials of Minister plenipotentiary to Sir George Staunton, whom he has already appointed at your request to be his Secretary of the Embassy.

It must at the same time be understood that such credentials are to be used, only in case of your death or absence as above mentioned or by your special appointment and under your directions, and in the exercise of the power therein mentioned, he is strictly to conform to and abide by the instructions addressed to you.

During the continuance of your Embassy, you will take every possible opportunity that may arise of transmitting to me for His Majesty's information an account of your proceedings, and also of communicating with Earl Cornwallis, or the Governor General of Bengal for the time being, with whose views and good efforts for promoting the Trade of India to the East, it is particularly desirable you should co-operate as far as they may not be inconsistent with the present Instructions.

Sincerely wishing your Excellency a prosperous voyage and complete success in the very important objects of it,

I am, &ca

(signed) HENRY DUNDAS.

APPENDIX H

Instruction not to Press for Debts

To His Excellency The Viscount Macartney &c. &c.,
8th Sept., 1792

My Lord,

I have been repeatedly urged by Mr. Vansittart, Mr. Law and Mr. Smith as well in their own behalf, as in the behalf of others interested in certain Debts said to be due to them by Subjects of the Chinese Government, to direct your Lordship to represent to the Emperor of China the injustice they suffer from those debts not being paid, in the hope of obtaining the interposition of the Emperor for the recovery of those Debts. Your Lordship, I know, is perfectly informed as to the nature of those Debts and likewise of the remonstrances which the Chairman and the Directors of the East India Company have made against your Lordship making any interference on the subject. They state that the Debts were contracted directly against the Laws and authority of the Chinese Government, and they further contend if any such relief as that asked was to be obtained, they know from past experience the effect would be to bring fresh Impositions on the chief articles of Commerce in which they deal with the Country of China. With a due attention to the important interests alleged to be brought into risk by your Lordship's interference, and considering that the East India Company are at the expense of the Embassy, I think it totally incompatible with my duty to give your Lordship the Instructions which I have been requested to give to you. At the same time as the property of British Subjects to so large an amount is stated to be at stake, I cannot receive their representations with indifference. It is therefore my wish that your Lordship should inform yourself with as much accuracy as your situation and local circumstances will enable you to do, of the real state of these transactions, of the disposition of the Emperor of China respecting them, and how far in your judgement any interposition can be used for the recovery of those Debts, without injuring any of the Interests of the East India Company in the exercise of their commerce and connection with China, and I shall be glad to be informed by you what is the result of your observations respecting those particulars.

I am, &ca

(signed) Henry Dundas.

APPENDIX I

LETTER FROM KING GEORGE III TO THE EMPEROR OF CHINA

His Most Sacred Majesty George the Third, by the Grace of God King of Great Britain, France and Ireland, Sovereign of the Seas, Defender of the Faith and so forth, To the Supreme Emperor of China Kien-long worthy to live tens of thousands and tens of thousands thousand Years, sendeth Greeting.

The natural disposition of a great and benevolent Sovereign, such as is Your Imperial Majesty, whom Providence has seated upon a Throne for the good of Mankind, is, to watch over the peace and security of his dominions, and to take pains for disseminating happiness, virtue and knowledge among his subjects, extending also the same beneficence with all the peaceful arts, as far as he is able, to the whole human race. Impressed with such sentiments from the beginning of Our Reign when We found Our People engaged in War We granted to Our enemies, after obtaining Victories over them in the four quarters of the World the blessings of Peace upon the most equitable conditions. Since that period not satisfied with promoting the prosperity of Our own subjects in every respect, and beyond the example of any former times We have taken various opportunities of fitting out Ships and sending in them some of the most wise and learned of Our Own People, for the discovery of distant and unknown regions, not for the purpose of conquest, or of enlarging Our dominions which are already sufficiently extensive for all Our wishes, not for the purpose of acquiring wealth, or even of favoring the commerce of Our Subjects, but for the sake of increasing Our knowledge of the habitable Globe, of finding out the various productions of the Earth, and for communicating the arts and comforts of life to those parts where they were hitherto little known ; and We have since sent vessels with the animals and vegetables most useful to Man, to Islands and places where it appeared they had been wanting. We have been still more anxious to enquire into the arts and manners of Countries where civilization has been perfected by the wise ordinances and virtuous examples of their Sovereigns thro a long series of ages ; and, above all, Our ardent wish had been to become acquainted with those celebrated institutions of Your Majesty's populous and extensive Empire which have carried its prosperity to such a height as to be the admiration of all surrounding Nations— And now that We have by prudence and Justice avoided the calamities of War into which discord and ambition have plunged most of the other Kingdoms of Europe, and that by engaging Our

Allies in Hindostan to put an end to hostilities occasioned by the attack of an ambitious Neighbour, even when it was in Our power to destroy him, We have the happiness of being at peace with all the World, no time can be so propitious for extending the bounds of friendship and benevolence, and for proposing to communicate and receive those benefits which must result from an unreserved and amicable intercourse, between such great and civilized Nations as China and Great Britain. Many of Our subjects have also frequented for a long time past a remote part of Your Majesty's dominions for the purpose of Trade. No doubt the interchange of commodities between Nations distantly situated tends to their mutual convenience, industry and wealth, as the blessings which the Great God of Heaven has conferred upon various soils and climates are thus distributed among his Creatures scattered over the surface of the Earth. But such an intercourse requires to be properly conducted, so as that the new Comers may not infringe the laws and Customs of the Country they visit, and that on the other hand they may be received on terms of hospitality and meet the Justice and protection due to Strangers. We are indeed equally desirous to restrain Our Subjects from doing evil or even of shewing ill example in any foreign Country, as We are that [they] should receive no injury in it. There is no method of effecting so good a purpose, but by the residence of a proper Person authorized by Us to regulate their conduct and to receive complaints against them whenever they should give occasion for any to be made against them, as well as any they might consider as having just cause to make of ill treatment towards them.

By such means every misunderstanding may be prevented, every inconvenience removed, a firm and lasting friendship cemented and a return of mutual good offices secured between our respective Empires.

All these considerations have determined Us to depute an Embassador Extraordinary and Plenipotentiary to Your Court, and willing to make choice for this purpose of a Person truly worthy of representing Us and of appearing before Your August Presence We have fixed upon Our right trusty and well-beloved Cousin and Counsellor, the Right Honorable George Lord Viscount Macartney, Baron of Lissanoure and one of Our most honorable Privy Council of Our Kingdom of Great Britain, Knight of the most honorable order of the Bath and of the most ancient and royal order of the White Eagle, and Fellow of Our Royal Society of London for the promotion of natural knowledge, a Nobleman of high rank and quality, of great virtue, wisdom and ability, who has filled many important offices in the State of trust and honor, has already worthily represented Our Person

in an Embassy to the Court of Russia, and has governed with mildness, justice and success, several of Our most considerable possessions in the Eastern and western Parts of the World, and appointed to the Government General of Bengal, to be Our Embassador Extraordinary and Plenipotentiary to Your Imperial Majesty with credentials under Our Great Seal of Our Kingdoms and Our Sign Manual, to whom We entreat Your Majesty to grant a gracious reception, as well as a favorable attention to his Representations.

And in order to avoid every possibility of interruption in this amicable communication which we wish to establish and maintain with Your sublime Person and Court, and which might happen after the departure of Our said Embassador Extraordinary whose presence may be necessary to Our Affairs elsewhere or in case of his death or occasional absence from Your Capital, We have appointed Our trusty and well beloved Sir George Staunton, Bart., honorary Doctor of Laws of Our University of Oxford, and Fellow of Our Royal Society of London for the promotion of natural knowledge, whom We have appointed Our Secretary of Embassy under the direction of Our Embassador as a Gentleman of wisdom and knowledge who hath already served us with fidelity and zeal as a Member of Our honorable Council and Colonel of Militia in some of Our Dominions in the West Indies, and appointed by Us Our Attorney General in the same, and hath since exercised with ability and success the Office of Commissioner for treating and making Peace with Tippoo Sultaun, one of the most considerable Princes of Hindostan, to be also Minister Plenipotentiary to Your August Person, with Credentials likewise under Our Great Seal, and for whom, in case of the death departure or occasional absence of Our said Embassador Extraordinary, We entreat in like manner Your Majesty's gracious reception and attention to his Representations in Our Name.

We rely on Your Imperial Majesty's wisdom and Justice and general benevolence to Mankind so conspicuous in Your long and happy reign that You will please to allow Our Ambassador and Representative at Your Court to have the opportunity of contemplating the example of Your virtues and to obtain such information of Your celebrated institutions as will enable him to enlighten Our People on his return; He, on Our part being directed to give, as far as Your Majesty shall please to desire it, a full and free communication of any art, science, or observation, either of use or curiosity, which the industry ingenuity and experience of Europeans may have enabled them to acquire: And also that You will be pleased to allow to any of Our Subjects frequenting the Coasts of Your dominions, and conducting them-

selves with propriety a secure residence there, and a fair access to Your Markets, under such laws and regulations, as Your Majesty shall think right, and that their lives and properties shall be safe under Your Imperial protection: that one Man shall not suffer for the crime of another, in which he did not participate, and whose evasion from Justice he did not assist, but that every measure shall be taken on the part of Your Government as Our Embassador is instructed strictly to direct to be taken on the part of Our People to seize and bring to condign Punishment, any of Our Subjects transgressing the laws or good order of Your Empire, or disturbing the Peace and friendship subsisting between Us.

We have particularly instructed Our Embassador to take every method in his Power to mark Our regard and friendly disposition to Your Imperial Majesty, and it will give Us the utmost satisfaction to learn that Our wishes in that respect have been amply complied with and that as We are Brethren in Sovereignty, so may a Brotherly affection ever subsist between Us.

May the Almighty have you in his holy protection!

Given at Our Court at St. James's in London the
and in the 32nd Year of Our Reign.

Imperator Augustissime
Vester bonus frater et Amicus
GEORGIUS R

Augustissimo Principi
Kien Long
Sinarum Supremo Imperatori.

APPENDIX J

ANSWER OF THE EMPEROR OF CHINA TO THE KING OF ENGLAND

This Paper was declared to be the Emperor of China's Answer to the Ambassador's Requests, sent to the first minister in the evening of the 3rd October, 1793; and was delivered to the Ambassador on the 7th of the same month the Day of his Departure from Pekin.

(*To the Ambassador*)

Your Sovereign admiring from afar the Splendor of this Empire, and thereby manifesting the Sagacity of his mind, was induced by that Motive to order an Ambassador to traverse the Seas, and as a mark of his Respect, to bring me Letters patent from him, together with Presents.

(*To the King*)

Convinced of the Rectitude of your Intentions, O King, I commanded my Grandees to introduce your Ambassador to me, and I received him at my Table. I delivered to him also my Letters for you, together with costly and magnificent Presents for your Majesty consisting of Jewels and other Articles, nor was I wanting in Proofs of the kindness I felt for your People who came to this Country from the furthest Extremities of the Earth—In the mean Time, O King, your Ambassador has requested my minister, to lay before me some Proposals relating to the Trade of your Subjects: but these Proposals, having a Tendency to alter that whole system of European Commerce, so long established here, I cannot therefore assent to them. Let us however examine this Business impartially.—Your Merchants, and those of all the European Kingdoms who trade to China, have been used for a time immemorial, to repair for that Purpose to Canton. The productions of our Empire are manifold, and in great Abundance; nor do we stand in the least Need of the Produce of other Countries. China in particular affords Tea, and fine earthen Ware, Silk and other Materials. All these are in great request, both in your own and the other Kingdoms of Europe. From a Propensity to oblige you, I have directed that public Warehouses of these divers Commodities, should be opened at Canton. But your Ambassador's Proposals aim at once at the overthrow of this long settled mode of Trade, for the Substitution of another in its Room, but this new Method would be very inconsistent with the good will which we profess for all foreign Nations. It being our constant Maxim to treat them all equally well, without any Partiality. The English are not the only People who trade at Canton; Now, if they were all, after your Example to make the same Requests, could I give satisfactory answers to each of these?

(*To the Ambassador*)

Your Sovereign, dwelling at a vast Distance, and separated from us by an immense Ocean, cannot therefore be well acquainted with our Manners and Institutes.

(*To the King*)

When I charged my Ministers to send Home your Ambassador, anxious lest he should not explain my Sentiments with sufficient Perspicuity, I have here O King, to each of his Demands subjoined my respective Answers, and hope that you will deem them candid and equitable.—In the FIRST Place, your Am-

bassador requested, that your trading Ships, if they judged proper, might repair either to Ning-Po, and Tcheu-chang [Chou-shan, Chusan] in the Province of Che-Kiang, or to Tien-Sing-Way [Tientsin] in the Province of Pechihli, or other Places.—Now it has been the Rule from remote Periods, that all the Merchants of the European Kingdoms, without exception, should carry on their Business at Canton; and to this Regulation your own Merchants have always conformed for the Space of many Years. At Ning-Po in the Province of Che-Kiang, At Tien Sing Way in the Province of Pecheli, There are no Warehouses prepared for this Trade. Were your Shipping to go thither, What would they purchase? Besides, There being no Interpreters in these Places, nobody would understand your Language, and no Benefit could thence be derived. Continue therefore, if you chuse it, to trade, as heretofore, at Canton: but as to The Request of your Ambassador, relating to the Ports of Ning-Po, Tcheu Chang, Tien-Sing, and others, I can by no means give my Consent.

In the Next Place, your Ambassador requested that in the same Manner it was done for the Russians, A Place should be appointed for your Trade at Pekin. But this can still less be complied with. This our Capital City is a Place resorted to by People of all Nations; for which Reason the Laws are inforced here with particular Strictness and Rigour. Foreign Nations never had a Place allowed them for the carrying on of Trades at Pekin. Your Merchants have transacted their Business at Canton, by Reason it was nearer at Hand for them, and was moreover frequented by the other European Merchants. It was easier of Access and more readily quitted. Your Country lies to the North West of Europe, at a great Distance from China. If Pekin were the Place appointed for your Trade, the Voyage to and from it, would be attended with much more Difficulty. I acknowledge that the Russians had a Place assigned them for their Trade at Pekin; but this was only for a Time,—untill a Place had been appointed for them at Keach-tou [Kiakhta]. As soon as this was done, they were all sent thither, and none permitted to remain at Pekin. This Transaction took Place many years ago, and the Russians have ever since traded at Keach-tou, as your People do now at Canton. To that End therefore should a new Place of Trade be opened at Pekin? The Confines of our Empire are most watchfully guarded; Individuals of other Nations cannot go beyond them at their Will. Hence it is useless to request such a Place as Pekin for the Purpose of trading.

Thirdly your Ambassador petitioned that the little Island of Tcheu-San should be assigned to the English Merchants to Settle there, and carry on Trade. But in that Island there are

neither Interpreters nor Warehouses ; nor can Ships long remain there. Were you even to obtain this Island, it would be of no Use. There is an Accurate Map of this Empire, and its Limits are guarded with the strictest Severity. Whether they be Islands or Inlets of the Sea, Every Part of it has been surveyed, and is under a proper government. Besides, that, as already observed, the English not being the only People who trade to this country, were the Subjects of other Kingdoms to petition like them for respective Places of Business, how should I be able to satisfy them all ? But such Concessions are unknown in our Empire, and this Permission is peculiarly inadmissible.

FOURTHLY. You are also desirous to have a small Place either near Canton, or Macao ; where your Merchants might dwell, and come and go at their Option. As to those Merchants who repair to Canton for the Purpose of Trading the Place of their Habitation is fixed, and confined to certain Boundaries, beyond which they must not go ; nor are they permitted to enter the City. Such hitherto has been the Rule, founded on the Precautions necessary to be taken in order to prevent Disputes between our People and your own. Now you are wishing for some Place near Canton, where your Merchants may settle. But this is not consistent with the already established Custom that all the European Merchants should reside at Macao. Moreover, the Merchants from all Parts of Europe have been used for many years to carry on their Trade at Canton, to their very great Advantage. The Numbers ingaged in this Commerce are very considerable. How then can separate Places be assigned to each of them near Canton ? Besides the European Merchants are under Mandareens appointed to preside over the Place of their Habitation at Canton, and carefully to protect them from ill usage. Were it not for these Regulations, continual Broils would arise between the Chinese and the Europeans ; in which case what must become of my Affection and good Will to these latter ? It is proper therefore that all the Merchants should remain in the same Place, and on the same Footing as heretofore. While they continue so, all will be well.

FIFTHLY. It is requested that the English Traders, Navigating the River from and to Macao and Canton, should not be obliged to pay Taxes for their Merchandise ; or that if any were to be levied upon them, they should be very moderate. When Taxes are imposed on the Subjects of other Nations, the Rate is always ascertained, and the same Rule is observed for all the European Traders indiscriminately Whatever Kingdom they come from. No more will be required from your People than What is due, nor will less be taken. In a word, they will be treated precisely as other Foreigners, and may depend, when they come to Macao

or Canton, upon receiving the same kind usage from me as heretofore.

Sixthly, your Ambassador said, he was willing to pay the same Rates for the Right of Anchorage in other Ports, as at Canton—The Rate is already settled for the Right of Anchorage at Canton, and no Entrance is allowed into the other Ports for commercial Purposes. You must therefore conform to the Regulations made at Canton relating to this Right of Anchorage; But there is no Occasion to say much on this Subject.——

For Ages past you have followed what you esteemed the true Religion. In the Chinese Empire, from its earliest Period to this Day, through the Wisdom of its Emperors a Doctrine had been established, and transmitted to Posterity, in which the four Parts of the Empire have been brought to concur for several Centuries. It is not right therefore to disturb them in the Exercise of their Ancient Religion. As to those Europeans who dwell at Pekin and profess Obedience to me, they have created no Divisions on these Accounts, nor indeed are they allowed an unrestrained communication in all Places. It is not difficult to distinguish the Well from the Evil intentioned; Now your Ambassador seems to have it in Contemplation to propagate your English Religion; which is a Thing I will by no means permit.——

I cannot however persuade myself that the above Requests proceeded from your own Motion; they appear, O King, to have originated from the Ambassador himself. It is my Maxim to receive in the most amicable Manner all Ambassadors by Whom soever they are deputed; and readily to accede to their Proposals, When not repugnant to the Laws of this Empire. In Fact I answered the Presents made to me by your Majesty's Ambassador, with greater and more considerable than it is customary to bestow upon the Ambassadors from other Sovereigns.

To Conclude, as the Requests made by your Ambassador militate against the Laws and Usages of this Our Empire, and are at the same Time wholly useless to the End proposed, I cannot acquiesce in them. I again admonish you, O King, to act conformably to my Intentions, that we may preserve Peace and Amity on each Side, and thereby contribute to our reciprocal Happiness.——

After this, my solemn Warning, should your Majesty, in Pursuance of your Ambassadors Demands, fit out ships, with Orders to attempt to trade either at Ning-Po, Tchu-san, Tien-sing, or other Places, as our Laws are exceedingly severe in such Cases, I shall be under the Necessity of directing my Mandareens to force your Ships to quit these Ports; and thus the immense

Trouble and Exertions of your Merchants would at once be frustrated. You will not then be able however to complain that I had not clearly forewarned you. Let us therefore live in Peace and Friendship, and do not make Light of my Words. For this Reason I have so repeatedly and earnestly written to you upon this Subject.

In the fifty eighth Year of the Reign of Kien Long, and on the third Day of the ninth Moon. [October 7th, 1793.]

APPENDIX K

The following requests were made by Lord Macartney to the Viceroy of Canton in 1793:

1. That the English Merchants shall be subject to no Duties taxes, or fees whatsoever, but those levied for the Emperor, of which a specific List shall be given to them denoting how much to be paid on every vessel according to her size, and on every article of Merchandize to be bought or sold by them.

2. That the English be subject to no taxes, or fees in going backwards or forwards between Macao and Canton, neither for their persons, vessels or goods, unless such fees shall have been imposed by the Emperor, in which last case, a list of the same is to be given to the English.

3. That goods bought or sold by the English which have once paid the Emperor's Duties, shall not be subject to pay it a second time, in passing between Canton and Macao.

4. The English Merchants have hitherto been confined while at Canton to the bounds of their own Factory, and a small space beyond it, without being suffered to go further either for the benefit of the air, health, or exercise, or being suffered to enter the City, without special permission as if they were a barbarous or mischievous nation, a circumstance that is not only highly inconvenient to them, and prejudicial to their health, as the English are always much used to exercise and ride on horseback, but it is also highly disgraceful to the Nation and its Sovereign. The English Ambassador is therefore anxious that while the English demean themselves, peacefully and dutifully to the Chinese Government they may be allowed to pass and repass, and ride on horseback without molestation in the neighbourhood of Canton, and into the City under the immediate protection of the Viceroy.

5. That as the English sailors require to be kept under strict discipline, and be separated as much as possible from the

Chinese, some little spot or islet may be allotted for that purpose in or near the River of Canton, and for an Hospital for the seamen.

6. That the English Merchants be allowed to continue at Canton after the ships have sailed, as long as it may be deemed convenient or necessary for them to do so.

7. That the English Merchants be at liberty to trade with any China Merchant without being confined to any particular set which are called the Cohong or Hong Merchants.

8. That instead of being obliged to get a China Merchant to become Security for the Duties of each particular ship, as she arrives, which prevents that ship from trading with any other Merchant, the owners of the ship may be allowed to pay the Duties at once to the Emperors Officer and thus be at liberty to trade with one or more Merchants as there may be occasion.

9. That it be allowed to a Chinese to instruct the English Merchants, in the Chinese Language, a knowledge of which may enable them to conform more exactly to the Laws and Customs of China.

10. That in case of any crime or misdemeanor committed by an English Sailor or other no other person of his Nation shall be answerable for him provided he shall not have contributed to the guilty persons getting away to escape punishment.

11. That the English be not confounded with other persons who trade to Canton and speak the same Language, but a different nation, and inhabit a very different part of the world called America.

Purport of Other Requisitions.

That on going or coming from Macao they be not compelled to pay Duty for their apparel, Books, Furniture etc. not intended for sale, or that they be not obliged to pay for the same article more than once.

That the English Ships be allowed to come at once within the Bogue, and Pilots be stationed at Lintin.

That the ships be subject only to the Emperors Duty on Measurage and not to the additional sum of 1,950 Taels, which is called a present. That no sum be extorted from the Chinese who supply the Ships and necessaries, and that they may purchase of whom they choose. That the ships may transfer Naval stores without payment of Duty.

That they may build an Hospital for Seamen on Danes Island, and that money be not exacted for burial of the English.

That the English may have leave to employ what natives they please, and that their safety be guaranteed by Government.

That persons who insult English be punished. That English have right to address Government at all times—That the freight of Boats carrying English, or goods back and forwards between Canton and Macao be not greater than that charged from Natives.

That a sum be lodged by the Owner for the Security of the Ship, instead of Chinese Merchants Security. That a list of the Duties on Ex and Imports be authenticated by the Viceroy, on each particular article, and that a standard of Weights be established. That they may purchase the ground on which the Factory stands.

[Recorded in Secret Proceedings of Select Committee under date December 3, 1831.]

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BANKRUPTCY OF SHY KINQUA, 1794

The Secret and Superintending Committee ceased to exist, Messrs. Irwin and Jackson having returned to England by the *Hindostan* in March, 1794. The Select Committee for the season 1794 consisted of Mr. Henry Browne, President, and Messrs. George Cuming and Thomas Kuyck van Mierop; but the last named remained at Macao during the season, owing to his serious illness, and sailed for England in January, 1795. The books were opened on March 10, 1794, with the following balances:

	Tls.	Tls.
Cr. by Silver in treasury	1,204,432	
Bohea in stock, 2,500 chests, 6,408 piculs	75,756	
Owed by Chinese merchants	1,488,642	
		2,768,830
Dr. to Owing to Chinese merchants	59,224	
,, ,, Factory Account	5,062	
		64,286
Credit Balance		2,704,544

Further advances under winter contracts were paid out on April 2nd to the amount of Tls. 792,103. Of these sums Shy Kinqua owed Tls. 719,215 on March 10th, and received further advances of Tls. 245,690 on April 2nd, a total of Tls. 964,905; and, on the departure for Macao, the Committee left with him 94 chests containing 470,000 dollars for safe custody, 'in like manner as had been practiced for several years back'. On April 2nd a significant entry appears in the accounts:

> We credit the China Embassy for the sum of Tales 11,136 Sisee Money, or Tales 11,693 of Dollar Silver paid into the Treasury by order of the Emperor as the Amount of the Export Duties of the *Hindostan*.

By being treated in this way the benefit of the concession inured apparently to the Embassy Account of the Company, and not to its commercial account. As the money was paid by the

officials, it was rated at the high rate of Tls. 100 dollar silver = Tls. 95·24 sycee. A further sum of Tls. 3,652 was repaid a year later, on April 29, 1795, on account of the measurage of the *Hindostan*.

For the season 1794 the Company loaded at Canton 21 ships of 20,333 tons. They brought no silver. Their import cargoes on Company's account realized: woollens, Tls. 1,741,429; lead, Tls. 112,646; tin, Tls. 295,603; linen, Tls. 3,000; total English products, Tls. 2,152,678; Indian produce, sandalwood, Tls. 19,219. During the season the Select Committee granted bills on London at 730 days at 5*s*. 3*d*. for 1,523,712 old dollars; 365-day bills at 5*s*. 1*d*. for 41,323 old dollars; certificates for 281,319 old dollars; and under Bengal engagements received 127,499 head dollars; a total of Tls. 1,419,338. The homeward investment was invoiced at Tls. 4,704,488.

The important features of the trade of Canton in 1794 were as follows:

	Ships.	*Cotton.*	*Tea.*	*Raw Silk.*	*Nankeens.*
	No.	Piculs.	Piculs.	Piculs.	Pieces.
English { Company	21	17,994	167,672	1,160	90,000
English { Country	23	133,687	1,797	1,464	117,000
American	7	4,964	10,787	3	220,000
Dutch	4	2,209	30,726	..	13,500
Danish	1	..	185	..	..
Genoese	1	..	131	..	157,500
Spanish	1	..	..	75	..
	58	158,854	211,298	2,702	598,000

The war kept the French ships away. Of the American ships three came direct from New York and Boston, two came via Bombay, one from Botany Bay, and one from the north-west coast of America; only one brought ginseng, 50 piculs, while the English ships brought 127 piculs. Of fine furs the American ships brought 43,770; while the English ships brought 62,790 of the fine furs and 262,095 rabbit skins. The Committee informed the Court that the trade in furs had been greatly overdone, referring in substantiation to the results in 1793.

An experimental shipment of Irish linens was sent out by the Court, 172 pieces invoiced at £845. The Chinese did not think them suitable for their market; but Mowqua took them at invoice cost, intending to send any unsold pieces to Manila.

The inland demand for woollens was very slack, due to extensive floods along the Yellow River. At the close of the season 1793 the Committee had resolved to postpone the distribution of the woollens of the next season until after the arrival of their advices by the early ships, in the hope that, if supplies should be reduced, they might obtain better prices. In this they were disappointed, the market price of all imports being low—cotton Tls. 9, tin Tls. 14, lead Tls. 4·10.

The merchants were as ready as always to take their allotted shares of woollens, since the quantities of tea bought from them were roughly proportionate to those shares; but they demanded a considerable reduction in the price. The first ships did not arrive until September 22nd, but the Committee still delayed settling the price or allotting the shares; and finally, after many long discussions, it was agreed that the shares should be as in the previous season, but that the prices should be such as to divide the prospective loss equally between the Company and the merchants. Of cloth, superfine was to remain unaltered, but supers and worsters were to be reduced by Tl. 0·10 a yard, and Long Ells from Tls. 7·50 to Tls. 7·00 a piece.

The private trade of the commanders and officers of ships caused some inconvenience. Articles which required some trouble in the selection were always left to them; but even in staple articles, such as camlets among imports and the finer teas among exports, the Committee found that prices were affected by their competition. In the two seasons 1792 and 1793 the private trade included 1,849,152 lb. (13,868 piculs) of tea, of which 732,416 lb. were fine Hyson and 448,000 lb. were fine Souchong; at this time the official annual requirements of the Company in each kind of tea were as follows:

		lb.	lb.
Black	Bohea	3,300,000	13,170,000
	Congou	8,600,000	
	Souchong	1,270,000	
Green	Singlo / Twankay	3,050,000	5,200,000
	Hyson Skin	300,000	
	Hyson	1,850,000	
			18,370,000

It will be seen that in the finest teas those on private account

are a very large proportion—about one-fifth—of the whole. The Committee complained that

> from the very Extravagant prices given by the Commanders for fine Hysons we have not been able to get many of the very Superior Chops at the prices we usually give ;

and they suggested that the Hyson in private trade should be strictly limited, adding that the privilege to commanders need not be curtailed, since they could fill their tonnage with the cheaper teas, of which the quantities were so large that prices would not be affected by the private competition.

On June 26th the country ship *Surprize* arrived from Bengal and anchored in Lark's Bay. She had on board 70 chests of Patna opium which had been pledged to the Company as part security for a sum of 300,000 current rupees which Captain Canning had engaged to pay into the treasury at Canton in January, 1792, but which had not been paid. The Governor-General, Sir John Shore, instructed the Committee that if the obligation, with interest at 8 per cent. per annum, were not met by the end of January, 1795, they were to take delivery of the opium and dispose of it to the best advantage. The money, 109,412 head dollars, was paid in by the due date, and the contingency did not arise.

An embassy was this year sent by the Dutch to Peking in emulation of Lord Macartney's of the previous year.

The English Committee were informed in July that

> Mr. Titsingh a Member of Council at Batavia and formerly Chief of the Dutch Settlement of Chinsurrah in Bengal is to come to China this season as Ambassador from the Prince of Orange and the States General to the Emperor of China ; Mr. van Braam Chief of the Dutch Factory is likewise to go to Pekin as Second.

Mr. Titsingh arrived at Canton on September 10th. Permission having been obtained from Peking, the Embassy

> set off [by the inland route] on the 22nd of November accompanied by Mr. De Guignes a French Gentleman conversant in the Chinese Language . . . arrived at Pekin on the 9th of Jan'y [1795] and left it again on the 15th February, having resided there 37 days. They returned to Canton on the 10th May. It is said they conformed without Scruple to the Ceremonies of the Court and was on that account in great favor with his Imperial Majesty.

It is worthy of note that in January, 1795, the States General had ceased to exist, the Prince of Orange had fled to England, and the French armies had completed the conquest of Holland.

In the records are several items of interest connected with shipping. The ship *Walpole* left Plymouth June 22nd, met the *Lion* and 18 sail of Indiamen homeward bound in lat. 13° N., long. 25° W., and left Cape Town on September 20th. She parted company with ships bound to India when

> nearly off the Isle of St. Pauls [38° S., 78° E.] on the 7th Oct. at which time I determined to endeavour to make our Passage between New Holland [Australia] and New Zealand. . . . I am sure we could not so soon have got here by any other way *at this Season.*

The ship arrived off Macao on January 1, 1795.

The *Indispensable*, of about 350 tons, arrived at Macao on September 12th from New South Wales:

> I left New South Wales the 8th of July and endeavored to make a passage thro' the Straits of Macassar (being the nearest route to Bengal) but strong Westerly winds & an Easterly current prevailing, I thought it most adviseable to bear away for China & there to wait the change of the Monsoon. Since my arrival in Macao Roads I am informed that there is not water sufficient in Larks Bay for my Ship, I have therefore applied to the China Pilots to carry me into a place of Safety and they inform me they dare not take charge of the Ship unless she goes up to Whampoa.

To Whampoa accordingly the ship was compelled to go; and, as she then became liable for measurage, the Committee decided to load her at Canton with teas for London direct.

The *Jenny*, a small vessel of 78 tons burthen, arrived on December 25th from the north-west coast of America, with about 1,600 sea-otter skins, and was ready to sail on February 6th. The Hoppo refused to issue her Grand Chop, on the ground that she took no export cargo; and Munqua, her Security, asked if the Company could not give her a lading. As she could take 200 chests of Bohea at the utmost, the Committee were unwilling to do so;

> however as the duties were the object with the Hoppo, it occurred to us that raw silk is frequently shipped in one ship and the Chop taken out for another, he might take out a Chop for a few chests of Congo in the name of the *Jenny* and ship them on one of the Company's

Ships. He seemed pleased with this hint and promised to go immediately and try the success of it.

In this way did merchants and supercargoes help one another.

On December 16th a seaman of the Company's ship *King George* knocked a Chinese down with a stick and wounded him, in the belief that the wounded man had picked his pocket. The sailor was at once taken into custody and kept in the factory. The Chinese was a coolie in the employ of Puankhequa, who brought him to the factory to be under the surgeon's care; he further paid a small sum of money to the man's father; and after a few days the sailor was released.

This unlucky accident has thus ended fortunately without being attended with any of those Embarrassments which are generally consequent to such Events, it affords us however fresh cause to lament that the Hon'ble Court have not yet been able to establish some system for preventing these irregularities for though this is the only Case which has been publickly noticed the Disorderly Behavior of the Seamen and especially their frequent ill treatment of the Chinese has been such as to keep us in a constant state of alarm and apprehension.

In the record of this season we have more light than usual on the relations between the merchants and the supercargoes. Yanqua was a merchant who had only recently been brought into the Co-Hong, and who was not Security for any of the Company's ships until 1795. He had taken only a small share of the woollens of 1794; but, in making the winter contracts for tea, the Committee proposed to buy 5,000 chests of Congou from him:

this proposal he to our great surprise declined and declared his intention to withdraw himself altogether from the European Business: this Conduct we could only account for from his considering such Engagement as including something like an obligation to take a share of the next year's Woollens, as he had lost a little by the share he had the year before.

Of other merchants also it is recorded that woollens and teas must be exchanged in veiled truck—money prices being fixed, but a sale presupposing a corresponding purchase.

Chunqua expresses himself much concerned to have incurred our Displeasure from having purchased these Teas which he assures us was wholly owing to his Inexperience and promises that he will not in future make any purchases for the purpose of offering to the Company without having our previous Concurrence; as he now made every

Compensation in his power and must be still a Considerable loser from the high price at which he unadvisedly purchased them, he hopes we will in future admit him to a small participation of our Business. In answer he was told we could have no objection to deal with him on the same terms with the other Merchants but it was impossible to deal to so great an Extent with any person that did not take a Correspondent proportion of our Goods in return.

Conseequa having 2 Chops of Pekoe 568 Chests the only tea of that kind offered to us this Season we agreed to give him 60 Tales ℔ pecul for them on his consenting to receive in payment 360 pieces of the Camlets ℔ *Walpole.*

Shy Kinqua had been the most considerable merchant in Canton of the younger generation, since the death of his own father and of the elder Puankhequa; and his dealings with the Company were always of great magnitude. At the close of the season 1793 he had, besides a special indent of 20,000 pieces of Long Ells, undertaken to buy one-fourth of the import of woollens, and it was the custom that each merchant should be allowed to purchase the lead and tin brought by the ships for which he was Security; he had thus, for the season 1794, incurred a liability, at standard prices, of about Tls. 625,000. On the other hand, in the winter contracts for tea made in April, 1794, he had contracted to deliver 38,000 chests out of a total of 107,000, at a total price of over Tls. 600,000. When the books were opened he still had accounts outstanding on which he owed the Company Tls. 719,215, and a month later he received advances of Tls. 245,690 under his tea contracts, a total of Tls. 964,905. Such large transactions indicate a great degree of confidence in his financial standing and honesty, and this confidence was further manifested by the Committee leaving with him for safe custody the Company's surplus funds amounting to 470,000 dollars, equivalent to Tls. 338,400, following in this the practice of several years past.

On the return of the factory to Canton, October 7th, the Committee learned that, on a draft on Shy Kinqua in favour of Mowqua for 170,000 dollars, only 158,000 dollars had been paid; and inquiry elicited the confession that

on account of the long Credit he was obliged to allow for Goods he sold [woollens etc.] he was so much at a Loss for money to secure his contracts [for tea] that he was tempted to make use of part of the Company's Cash committed to his care meaning to have it ready to

replace on our return to Canton but the unforeseen circumstances and the late arrival of the Ships both Companys and Private and the general stagnation of trade and want of Circulation had put it out of his power to do this as soon as he expected.

In a fortnight he restored 5 chests containing 25,000 dollars, but the balance remaining due, Tls. 202,404, was not recovered, and on April 30, 1795, this sum and an additional amount of Tls. 112,897 necessarily advanced to him from time to time, were debited to his account.

In addition to his dealings with the Company he had, in this season, purchased the cargoes of three country ships and two Americans, and was Security for the Danish ship, and was providing the return investment for all six; and, with his large commitments to the Company, the Committee were precluded from taking any step which might hasten his bankruptcy. This they wished to avoid as it would involve

the Interference of Government and this as it is seldom exercised for the benefit of Individuals but at the Expence of the Trade in general we wished not to have recourse to but in the last Extremity.

They accordingly delivered to him his share in the woollens, except that his particular indent for Long Ells was merged in the general stock; but he was unable to find ready money to pay the duty on them, and this failure brought his condition to the knowledge of the Hoppo and the Viceroy. To satisfy them he prepared a statement of his assets:

	Tls.
Houses and Paddy Grounds	608,865
New and old Teas not sold	229,428
Goods in Warehouse not sold	130,075
Watches, Clocks, Looking Glasses, &c.	222,650
Shops	50,000
Debts owing by Europeans	118,160
,, ,, Chinese	9,388
Due from the Consoo	70,000
His share of Loqua's property	40,000
	1,478,576

Against these assets he admitted debts outstanding as follows:

	Tls.
English East India Company	934,000
Balances due to country ships	310,000
	1,244,000

Parenthetically we may note the large amount of the value of watches, clocks, &c., which came in the private trade. These articles, except in so far as they might be the hobby of an eccentric collector, must be looked on as the merchant's corruption fund, since many of them were doubtless destined for presentation to the officials and their subordinates. In addition to the obligations given above there was, moreover, a 'Bond Debt' of about Tls. 400,000, due to the transactions of previous years.

During the whole season the Committee and the other Hong Merchants co-operated to enable Shy Kinqua to deliver more teas to the Company; and by the end of January he had delivered teas to the value of Tls. 300,000. With the approval of his colleagues, more contracts were made with him, even of kinds that were not desired, so that more green tea was shipped than was called for by the order of investment; and at the close of the season the Committee were driven even to pay for some chops before delivery, a practice never before followed: by these means his indebtedness to the Company was reduced to Tls. 310,829. Then they addressed a memorial to the Governor, in which, after reciting the circumstances, they continued:

By the receipt of these Goods consisting of Teas and Nankeen Cloth his debt to us was reduced to the Sum of Tales 310,829 for the payment of which we relied on the promised sale of the Bankrupt's Houses & Lands but at the instant when we expected they would have been delivered to the Hong Merchants for that purpose it was with the utmost Surprize & Consternation we learnt that the Title Deeds or Chops on which depended the security of these Estates had with perfidy unexampled been delivered to Sundry Tea Merchants subjects of His Imperial Majesty.

This memorial was delivered on April 19th to the hands of the Namhoi Hien, who transmitted it to the Governor.

Apr. 22. Shy Kinqua & his Brother are we understand both taken into the Custody of the Namhoyen but permitted to lodge in a small House in the City hired by themselves under a Guard.

The matter was not settled when the last ships sailed, May 15, 1795. The territorial officials (Governor, Treasurer, and Judge) were understood to be

disposed to treat Shy Kinqua with great rigor and wish to refer the

whole to the Emperor's decision immediately. The Hoppo on the contrary wishes to screen him and compel the other Merchants to settle the Business at Canton. . . . It is to be observed that the blame of such failures in general fall on the Hoppo to whose department it more immediately belongs to watch over the Conduct of the Merchants and whenever they happen they are likely to be charged to his Extortion and Exactions which except by the last have never been carried to a greater length than by the present Hoppo who it is said in the Six Months of his being in Office has received not less than 240,000 Dollars exclusive of the customary presents for the Emperor.

The general principles on which the winter contracts for 1795 should be made were settled on the basis of increasing the price of Congou tea from Tls. 27 to Tls. 28; of dividing the woollens to arrive in such proportions as the Committee should decide; and of again sanctioning transfers in the treasury. For this purpose bills were issued to the amount of Tls. 493,406 as advances, but they were entered in the accounts of the following season.

During the season 1794 the House of Agency realized commissions amounting to 8,504 head dollars. Of this sum one moiety belonged to Messrs. Drummond and Sparkes; the other was divided, 567 head dollars to each of five seniors and 283½ head dollars to each of five juniors.

LI

ATTEMPTED REVIVAL OF CO-HONG, 1795

The Select Committee during the season 1795 consisted of Mr. Henry Browne, President, and Mr. George Cuming; Mr. van Mierop was a member, but he had died on the way home, before passing the Straits of Sunda.

The books were opened on May 7th with the following balances:

	Tls.	Tls.
Cr. by Silver in treasury	616,135	
Bohea, 8,820 piculs	101,656	
Owing by Chinese Merchants	850,827	
		1,568,618
Dr. to Owed to Chinese Merchants		46,743
Credit Balance		1,521,875

Included in the above is the sum of Tls. 310,829 due from Shy Kinqua.

In the season 1795 the Company loaded 16 ships, of which 11 were dispatched together on June 24, 1796, three months later than the usual close of the season; in addition one ship loaded for Canton, the *Earl Howe*, was diverted to Bengal, her cargo being brought on from Cape Town by three other ships. The outward stocks realized as follows:

	Prime cost. £	*Realized.* Tls.	*Profit +* *Loss −* Per cent.
Woollens	553,405	1,634,796	− 1·5
Tin, 15,088 piculs	74,159	221,366	− 0·5
Lead, 5,024 ,,	5,328	22,605	+ 41·2
Linen	589	1,178	− 33·3
English Products	633,481	1,879,945	− 1·1
	Rup.	Tls.	
Cotton, 4,929 piculs	133,538	61,597	+ 38·4
Sandalwood	80,467	27,745	+ 3·4
Indian Produce	214,005	89,342	+ 25·2

The ships brought no silver. In addition to bills for Tls. 493,406 granted to provide for transfers in the treasury, the Committee received 1,217,108 old dollars against bills on London at 365 days and 5*s.* 3*d.* exchange, 21,637 old dollars against certificates, and 42,160 head dollars under Bengal engagements; a total of Tls. 1,415,051. In addition they received 264,000 head dollars on bond at 10 per cent. per annum.

The investment for the 16 ships was invoiced at Tls. 3,508,839; it included, for the first time in many years, a quantity of woven silks, 3,400 pieces, cost Tls. 41,120. From indications given by the private trade, it is seen that the factory comprised 2 of the Select Committee, 7 supercargoes below the Committee, 6 writers, Mr. Charles Arthur, tea expert, and Messrs. Duncan and Crichton, surgeons. Some of them must have worked at the Chinese language, as the accounts include payment of 1,000 dollars to the teacher, a Chinese named Charles, who had been educated in Europe.

The trade particulars for the season were as follows:

	Ships.	*Cotton.*	*Tea.*	*Raw Silk.*	*Nankeen.*
	No.	Piculs.	Piculs.	Piculs.	Pieces.
English { Company	16	4,929	112,840	711	80,000
English { Country	17	130,363	1,814	460	45,000
American	10	10,412	21,147	..	685,000
Swedish	2	..	20,699	..	45,000
Spanish	2	..	..	95	150,000
	47	145,704	156,500	1,266	1,005,000

Of the American ships 3 were from Philadelphia, 1 from Boston, 1 from Rhode Island, direct; 2 from New York and 1 from Salem, by way of Bombay; 2 from Boston and the north-west coast of America. They brought 92 piculs of ginseng, and the English ships 29 piculs; of fine furs 7,477, and English ships 34,085; of rabbit skins the English ships 79,735 and the American none. Exports of woven silks were 9,000 pieces by American, 7,500 by Swedish, and 3,400 by English ships.

The Company, on the strength of Lord Macartney's suggestion, sent out this season a second lot of Irish linens, invoiced at £589, a lot of miscellaneous stationery, £276, and a case of sword-blades, £248. Mowqua again agreed to dispose of the linens by sending them to Manila, as there was absolutely no

demand for them in China, but he did it as a favour, and would only give two-thirds of the prime cost. The stationery could, as all the merchants declared, only be utilized as presents; but Puankhequa consented to send one case, out of seven, to Peking as an experiment. No one would touch the sword-blades; they might be given as presents if they were on shore; but they could not be landed and were sent back in the importing ship.

The last ships of 1794 left in May, 1795, and the earliest arrival from England in 1795 arrived at Macao on December 24th, both unusually late dates. The fleet, sailing from Second Bar May 7, 1795,

struck soundings on the Macclesfield Shoal on May 23rd, and made the Island of Mindoro on June 11th. We followed the track of the Ship *Anna* as far as Beeteenan, from whence we proceeded to Tooleyan Bay on the East End of Sooloo, where we anchored on June 27th.

Sailing thence on July 4th the ships went to Batavia, having thus circumvented an adverse south-west monsoon. The eastward-bound ships of 1795 being belated had to work around an adverse north-east monsoon. The earliest of them, the *Cirencester*, new of 1,200 tons, reports that

on the 10th of July I left England, parted Company with the Bengal Ships on the 16th of August, & with the *Belvedere* for St. Helena on the 30th. My route was through the Strait of Allas and Strait of Macassar, and I anchored at Macao December 24th.

The ship *Arniston* new of 1,200 tons, from England by Madras, left Madras on the 1st of October, carried 600 troops to Malacca [taken from the Dutch] where she remained one month & effected her passage by the Eastern Route [skirting Borneo and the Philippines] arrived at Macao March 7th.

The ship *Belvidere*, old of 786 tons,

Oct. 16 arrived St. Helena, left 23rd.

Dec. 2 left Cape of Good Hope.

Middle of March through Pitts Straits [Pitt Pass, south of Strait of Molucca].

I have been beating against the South West Monsoon between this [Macao] and the Island Formosa ever since the 10th of this month [March] was fearful I should not have got up till an Easterly wind sprung up yesterday. Arrived Macao March 25th.

For the private trade of the commanders and officers of the ships the allowance of space was no longer the modest 13 tons allowed fifty years earlier. In a consultation on the space to be allowed

as privilege on three country ships taken up in Canton for the homeward voyage, it is recorded :

the allowance to Botany Bay Ships is 12 Tons, the Europe Ships including exceedings amounts to 99 tons, something like a mean between the two we think ought to be adopted, therefore agreed to allow 45 Tons to each Ship.

The Dutch Ambassador, Mr. Titsingh, remained at Macao until the spring of 1796, when he obtained permission to go to England in the *Cirencester*, sailing March 21st ; his staff and military escort left the same day for Batavia on an American brig. During his stay he heard of the successive capture by the British fleets of Cape Town, Malacca, Banda, Amboyna, and Ceylon.

The truck character of the trade at Canton was as marked this season as ever, and at its close the winter contracts for the next season were made on that basis. Puankhequa was to have two-thirds of the tin imported, and the woollens and teas were divided as follows :

	Woollens. Sixteenths.	*Tea.* Chests.	*Approximate Cost.* Tls.
Puankhequa . .	4	15,400	330,000
Geowqua . .	2	17,000	290,000
Mowqua . .	2	26,000	470,000
Puiqua . . .	2	19,000	350,000
Yanqua . .	2	18,000	325,000
Chunqua . .	1	13,000	240,000
Gnewqua . .	1	8,000	140,000
Ponqua . .	1	8,000	140,000
Conseequa . .	1	6,500	125,000
Seequa (Munqua) .	..	11,400	200,000
	16	142,300	2,610,000

The last sixteenth of the woollens was to be given to Conseequa only if Seequa could not take it up.

In January the Committee were alarmed by rumours of an attempt to revive the Cong-hong or Co-Hong which had been hanging, a sword of Damocles, over the Company since 1720.

For some days past we have heard Rumours that the Hoppo has it in Contemplation to establish a Combination of the Merchants similar to what formerly existed, under the Name of a Cong Hong : that some attempts of that kind have been made by the Hoppo, none of the Merchants deny, though they are unwilling to be too com-

municative, lest they should be suspected by the Hoppo of favoring the Europeans & opposing his Plan—what we know for certain is that Puankhequa, and the most independent of the Merchants, are decidedly against it, considering it as a Scheme to support such as have less Stability by a participation of their responsibility, and to put money into the Purses of the Mandarines ; and most of them make no Scruple of saying that it can never take place.

The Committee addressed a memorial to the Governor and Hoppo jointly, pointing out that they already lost 'more than 20 ℘ Cent' on the import of woollens, and that they paid high prices for teas, greatly in excess of those paid by the merchants to the country dealers ; and they

beg leave to remind Your Excellencies that it is little more than two Years since His Imperial Majesty conveyed to the Ambassador of our Sovereign the most positive Assurances that the British Traders at Canton should experience his Fatherly care and be protected from Injustice & Oppression.

They further pointed out that, if the Company reduced the volume of the unprofitable trade in woollens, and consequently bought less tea, the revenue would suffer ; and they intimated that, if they could not obtain redress at Canton, they would be driven to appeal to the Emperor.

This memorial was handed in on January 29th ; the Chinese New Year intervened, and on February 26th

the Linguist brought our Letter to the Mandarins unopened by order of the Hoppo, with a request that we should previously communicate to him the Contents : they were directed to tell the Hoppo that when he had opened the Letter we would furnish him with a Translation, but we should never suffer it to enter the Factory again, till he had acknowledged the receipt of it by that or some other act, & ordered them instantly to take it back again.

The records to the end of the season contain no further reference to the memorial or to the Co-Hong.

In a State of perfect justice, with no suspicion of peculation or oppression by the officials, there was apparent reason for the establishment of an Association by which the responsibilities in the peculiar trade of Canton might be fairly and equitably distributed over the whole body of merchants. Had the English Company alone been connected in trade with this body, it seems obvious that only the ordinary money difficulties need have

arisen ; but the situation was complicated to some extent by the operations of rival national Companies, and in a greater degree by the English country trade from India, and latterly, the American trade in which each supercargo fought for his own hand.

It was under such conditions that the debts of 1780 were contracted, and it was such conditions that had brought Shy Kinqua to bankruptcy. The successive steps in his bankruptcy were recorded under the season 1794; and through the season 1795 he appears as ruined and broken, the officials having decided that his situation was so serious that report must be made to Peking. First, however, Mr. Browne had to have a painful interview with him, since

> Shy Kinqua, whom the inferior Mandarins had terrified with apprehensions that a Punishment unusually severe would await him, should a deficit of such unexampled magnitude appear against him, had solicited the Tsontoc to be permitted once more to visit the Europeans whose former partiality and friendship suggested a faint hope that his appearance, a Prisoner and in Chains, would excite Compassion and they might be induced to give up some Part of their respective Claims.

He was accordingly brought to Macao on June 23, 1795, by the Namhoi Hien and a guard, accompanied by Munqua and Puankhequa, the senior merchants. Mr. Browne was in a painful position : he was not his own master, but was the servant of the Company whose affairs he managed ; and he had no control over the other creditors, some of whom, though British subjects, represented non-British constituents. He at first refused to see the prisoner, but ultimately consented.

> The President accordingly accompanied the Merchants to the Mandarin House, where the Namhoyen with his Prisoner were. After a few minutes Conversation with the Mandarin . . . Shy Kinqua was introduced, he immediately prostrated himself and repeatedly hit the Ground with his forehead, with all the appearance of that abject Humiliation which Criminals in this Country are obliged to submit to, till ordered by the Mandarin to rise, who with all his Attendants and the other two Merchants immediately left the room. He then again attempted to prostrate himself, to entreat the Compassion of the President, who prevented him.

The scene was distressing. Shy Kinqua urged the services of his father and himself through many years, the favour in which he

had been held, the cordial relations always existing between him and the supercargoes; but to all his pleas Mr. Browne could only reply that he was not master and could make no abatement of the Company's claims.

The Prisoner was habited in a coarse Jacket & drawers, with white [mourning] Shoes, but no Stockings, his Hair was grown to a considerable length [instead of being shaven clean] a Chain round his Neck and on both his wrists, and his whole appearance squalid, and suited to the part he was intended to act, though it is impossible not to feel for a Man under such a Reverse of Fortune, and such Sensations would be more particularly excited in those who have lived with him in Habits of Friendship, and confidential intercourse, the President could not help remarking an appearance of Art & Studied distress, which greatly diminished their force; and when we consider the insensibility and inattention with which he received the Presidents remarks on his retained Property, and Reflect that amidst this appearance of Affliction, by which he hopes to work on the Compassion of his Creditors, he is still tenaciously with-holding it from them, our Sentiments of Commiseration will perhaps give way to regret that he has probably little cause to apprehend the Punishment which he affects to dread.

The only definite result of this visit to Macao was that Mr. Browne on the one part, and the private creditors on the other, agreed to take over certain promissory notes signed by foreign merchants, and some teas shipped on Shy Kinqua's account by Genoese and American ships, to an estimated value of 201,178 head dollars, taken as being Tls. 140,000.

The report went to Peking towards the end of July, and in December orders were received that

the Merchants are to take the Houses, Lands, and Stock in hand at the valuation settled between themselves and the Mandarins before the Chop went up, which is Tls. 280,000, and so soon as they can be sold & converted into cash, the amount after deducting the Emperor's Duties about 100,000 Tales be paid to the Creditors. That the remaining Sum of Tales 600,000 be paid by six annual Instalments. That Wyequa the Second Brother should be banished to Elee, and Gonqua (or Shy Kinqua) should remain in Prison, till his Family or himself had found means to satisfy the Demands of the Country Merchants.

On January 22, 1796, Wyequa set off for Ili, to which he had been exiled; he was, it was reported, accompanied by two women and a servant, 'for which indulgence he paid very liberally'. On February 27th

Shy Kinqua died in his Prison of a fever brought on by the harsh treatment he has received: he had suffered the Bastinado three times, the last of which was on the Face, & so severe as to cause a violent inflammation in consequence of which all his teeth dropped out: this was succeeded by the fever which after a duration of two days put an end to an existence which had it continued would have been miserable in the extreme, as it does not appear that his Brother had left him the means of appeasing the Tea Merchants, whose Resentment is implacable, & would have subjected him to continual repetitions of that Punishment which he fortunately sunk under at first. He appears to the last to have been the dupe of his more artful Brother, & it is said when on his Death bed to have been sensible of & to lament it.[1]

The Hong Merchants were collectively active in winding up his estate; and, towards the close of the season, on May 22nd, the Committee prepared a statement of his foreign obligations after deducting the Emperor's duties, as follows:

	Tls.
Amount of whole claim, Company's and private	1,110,023
Deduct the last year's interest on the Bonds, which the Emperor does not allow	44,233
Sum ordered to be paid	1,065,790
Deduct European Bonds accepted by the creditors	137,255
Remains to be paid	928,535
Amount of Estates and Effects	341,543
Balance to be paid in six annual instalments	586,992
Annual Payment, Tls. 97,832.	
Of the total Amount due, the Company's claim is	310,829
private claims are	754,961
	1,065,790

At the close of the season, with the first instalment paid, the Company's claim was reduced to Tls. 182,689. Of the annual payment the Company's share would be Tls. 28,532; and, the whole burden of this being assumed by the Hong Merchants collectively, it was agreed that in each season the supercargoes should debit each merchant's account with the sum payable by each to the Company. This was acceptable to both sides; but some difficulty was foreseen in connexion with the amount to be debited to Munqua, the senior Hong Merchant.

[1] On the treatment of prisoners in China, cf. Wingrove Cooke, *China*, chap. xxix.

Munqua died suddenly on April 10, 1796. He had been ailing for some time, but in fact he committed suicide.

His affairs have been for some time in a very embarrased State, but as he received great assistance from his Friends particularly Mowqua in the payment of his Duties & had contracted for the Sale of his Woollens, and the purchase of his Teas in return on very favorable Terms, great hopes were entertained that he would be able to fulfill his Engagements, especially as his European Creditors were neither numerous nor clamorous, & having received very considerable Payments in Goods of different kind this Season were willing to allow him any time for the final Liquidation of their Claims. The Teas of which he had sent in Musters were sufficient to Balance his Debt to the Company.

Instead of applying his woollens (four-sixteenths of the importation) to paying for these teas, he had used them to pay off old debts,

or sold them to procure Money for the Payment of the Emperor's Duties, and it is supposed the Embarrassment this imprudent, not to say dishonest, Conduct has involved him in, & the difficulty of extricating himself without having further assistance from the Company, impelled him to put an end to his existence.

His brother Seequa was ordered by the Hoppo to take charge of the affairs of the hong, and he found help on all sides. Puankhequa and Mowqua were active in helping; the country dealers agreed to deliver the teas as contracted for by Munqua; and the supercargoes agreed to increase their orders for teas from the house of Munqua, and to pay for them in Long Ells, on which there would be a profit. Money for the duties was provided in specie by Munqua's brothers and other members of his family. In this way his business was carried on, and his debt to the Company, Tls. 267,000 at the date of his death, was reduced, at the close of the season, to a sum of Tls. 141,438.

Lord Macartney's Embassy had its aftermath in this season. The packets by the *Cirencester* were opened on December 28th, and among them were found several complimentary letters.

In the other Box Packet were contained five small boxes inscribed:
Letter from the King to the Emperor,
Letter from Secretary Dundas to the Viceroy,
Letter from Earl Macartney to the Viceroy,

Letter from Sir George Staunton to the Viceroy,
Letter from the Chairman to the Hoppo of Canton.

The ship also brought presents for the Emperor, the Viceroy, and the Hoppo; but of ten cases from the King to the Emperor, only seven could be found for some days, and this created a very serious complication. Another difficulty arose from orders which had lately been received from Peking.

Munqua & Puankhequa . . . reported that the Fouyuen seemed very well disposed to receive us in the City, but expressed a wish to know the Contents of the Letter for his Imperial Majesty before he took charge of it, as by a late order from Pekin the Mandarins at the different places on the Coast were directed to possess themselves of the Substance & Object of every Letter that might be brought either by Ambassadors from the European Powers, or by any other mode of Conveyance, before they suffered it to be forwarded to Pekin, and if it related to any requested extension of Privilege, or other innovation contrary to the Established Customs & Laws of the Empire, to refuse them acceptance.

The Committee record that they had already learned of this order, but they add the further comment that

independent of this Circumstance we must Confess it was not to be expected by any Person acquainted with these People, that a Mandarin in his Situation would unreservedly transmit a Letter from a Foreign Power that might have possibly a tendency to criminate the Conduct of himself or those who act in Conjunction with him, when it was in his Power to Suppress it.

They informed the merchants that they had not been provided with a translation of the letter, and that they must absolutely refuse to break the seals in order to ascertain its purport; but that they felt assured that it was solely of a complimentary character. The merchants expressed their conviction that the Governor would ultimately consent to accept the letter, but that the missing presents created a real difficulty; and they urged haste in searching them out,

as the Fouyuen wished if the Letter was to go that it might be sent time enough to be presented to the Emperor before the commencement of the New Year, when it is now positively said he means to resign the Government to his Fifteenth Son, who is to ascend the Throne by the name of Ka-Hing [Kiaking].

The Governor sent word that the letter might be sent by the

hands of the Namhoi Hien, but the Committee refused to deliver it to any hands save those of the Governor ; and a similar answer was given to the Kwangchow Fu, who came in person to 'the Pagoda' to take delivery of it. The missing presents were found on January 8th, and that evening Mr. Browne bearing the King's letter, and Mr. Peach (Mr. Cuming being indisposed) bearing the other letters, were conducted in chairs to 'the Fouyuen's Palace'.

On their arrival they were conducted to a kind of open apartment adjoining to one of the Center Gates of the Great Court where they were joined by the Hong Merchants, who however retired immediately after paying their Compliments & went to attend the Fouyuen : after about a quarter of an hour they returned to conduct them to the Great Hall of Audience. . . . We entered at a side Door when a Salute of the three Guns was immediately fired, and on reaching the middle of the Court to proceed upwards to the Place where the Mandarins were seated they all rose and came forward to a table covered with Yellow Cloth placed at about halfway between them, where they continued standing the whole time, while the President & Mr. Peach advanced on the other Side, when the former taking off the outer Cover of Silk presented the Letter to the Fouyuen who immediately opened it, and taking out the Letter & Translation, after a Cursory view of the Superscription, with very little ceremony broke the Seal of the Chinese Translation which was eagerly perused by such of the Assembly whose rank permitted access to it ; after reading this Translation he took the English one, and made a Sign to the President to open it, which he declined, he then handed it to Puankhequa, who of course could not refuse & immediately opened it, but as no use could be made of it without an Interpreter, he laid it down again, and the President took advantage of the Interval to acquaint him that he had likewise Letters for the Tsontoc which he requested permission to deliver to him. This he declined, alledging that the Letters were for another Mandarin and therefore he could on no account receive them . . . and desired the President would therefore return them. The President then addressed himself to the Hoppo, and tendered him the Letter under his address from the Honble Chairman . . . he replied that the Name of Sou Tagin was mentioned in the List of the Presents . . . and he must beg leave to decline receiving either. As both the Mandarins appeared to have previously resolved not to receive these Letters and that probably upon mature deliberation, it was in vain to expostulate with them, & the Fouyuen himself took the most effectual method of preventing by acquainting the Gentlemen that they might retire, returning after a Slight inclination of the Head to the further end of the room from whence he came.

The King's letter having been found satisfactory in tone and in matter, it was transmitted to Peking on January 10th, and on March 13th

The President went into the City & was received at the Tsontoc's Palace where all the principal Mandarins were assembled. The presents intended for the Emperor were placed on the right hand of the Mandarins near the entrance, & those from the Emperor to His Majesty on both sides of the room nearer the Mandarins. The President on entering acquainted them, as before agreed on, that he was come with Presents from His Majesty the King of England to the Emperor which he requested them to take charge of, they then came forward and made an appearance of examining them, after which the Fouyuen said the Emperor had received the Letter which the King had sent him, & was very much pleased with the Contents, and as a proof of his good disposition towards His Majesty had sent a Letter & Presents in return. The Letter was then produced inclosed in a Wrapper of Yellow Silk when the President as agreed upon knelt down & received it with both Hands & rising delivered it to a Head Linguist who received it in the same manner & carried it to his Palanquin.

The presents consisted of 140 pieces of silk. The Emperor's letter was dated the 29th day of the 12th month of the 60th year of Kienlung, the last day but one of his reign before he abdicated.

The Governor, the highest civil authority in the city of Canton (the seat of the Viceroy being at Shiuhing), showed great condescension in consenting to receive these traders in personal audience, and still greater in the ceremony of their reception; but he sharply differentiated their relative positions. He did not kneel in receiving the King's letter, though he required Mr. Browne to kneel to receive the Emperor's; he did not insist on Mr. Browne's standing while he remained seated, though his only solution of the difficulty was to remain standing himself through both interviews. The business was distasteful to him: he could not ignore the aged Emperor's orders, given under the influence of the impression created by Lord Macartney; but he gave way on points of ceremonial as little as possible, and did not allow the traders to forget how much inferior they were to Chinese officials.

LII

THE NAVAL WAR IN EASTERN SEAS, 1796

The Select Committee and the Secret Committee for the season 1796 were both composed of the same persons—Mr. Richard Hall (President) and Messrs. George Cuming and Samuel Peach. Mr. Browne had left for England in one of the last ships of the previous season. The books were opened on June 20th with the following balances:

	Tls.	Tls.
Cr. by Silver in treasury	13,081	
Tea in stock, 62,161 piculs	1,608,974	
Unsold imports (linen, stationery, &c.)	3,172	
Owed by Shy Kinqua	142,659	
,, ,, Munqua	141,438	
,, ,, Punqua	21,094	
,, ,, Factory account	22,817	
		1,953,235
Dr. to Interest Bonds	186,322	
Owing to Chinese merchants	962,642	
		1,148,964
Credit Balance		804,271

During the season the Company loaded 23 ships (about 23,000 tons) for London, including 4 small ships (estimated at 1,880 tons) from New South Wales and a dispatch vessel, the *Crescent*. In addition one, the *Ocean*, 1,189 tons, was a total loss in 7° 15′ S., 121° 40′ E. on the way out. The import cargoes received by 18 ships from London (15 direct, 3 via Bombay) realized as follows:

	Prime cost. £	*Realized.* Tls.	*Profit* + *Loss* − Per cent.
Woollens	612,464	1,666,602	− 9·3
Tin	95,433	297,113	+ 3·4
Lead	18,851	66,776	+ 18·2
English Products	726,748	2,030,491	− 6·9
Cotton (5,589 pic.) Rup.	103,968	69,858	+ 105·3

The ships also brought silver dollars, 146,496 ounces = 168,000

dollars = Tls. 120,960. The treasury received in silver 1,836,966 dollars against bills on London at 5*s.* 5*d.* and 365 days; 115,446 dollars against bills on Bengal at 41 per 100 current rupees and 30 days; 38,346 dollars for freight; there is no record of the issue of certificates, but as the Committee persistently refused to allow transfers in the treasury to the commanders of the ships, and the book contains a loose slip denoting the issue of certificates for 18,463 dollars to one ship, it is assumed that they were issued for not less than 300,000 dollars; making the total receipts into the treasury to amount to Tls. 1,649,346. The total investment was invoiced at Tls. 6,248,940.

The trade during the season was as follows:

	Ships. No.	*Cotton.* Piculs.	*Tea.* Piculs.	*Raw Silk.* Piculs.	*Nankeen.* Pieces.
English { Company	23	44,955	212,422	599	119,200
English { Country	17	118,668	1,202	1,201	25,000
American	11	1,500	25,848	97	475,000
Danish	2	6,326	18,793	2	50,000
Spanish	1	105	83	75	151,000
	54	171,554	258,348	1,974	820,200

Of the American ships one at least loaded tea for Hamburg. Of ginseng the American ships brought 30 piculs and English ships 25 piculs. Of seal and sea-otter skins the English Company's ships brought from London in the private trade 5,149, and an English sloop from the NW. coast of America 2,400; while three American brigs brought 19,846. Apart from this the inconsiderable imports by the American and Danish ships indicate that nearly the whole of their exports were provided for by the import of silver; the English Committee record that the two Danish ships brought 650,000 dollars in specie.

There were references in the records for the season 1795 to the scarcity of silver in Canton, notwithstanding the large quantities constantly introduced to finance the foreign trade of the port; and in the season 1796 the references are more frequent, with some indication that the scarcity was occasioned, not solely by the demand of the country dealers for some portion of the price of their teas in silver, but to a considerable extent by the call for hard cash in paying Customs duties and in making presents to the Hoppo and other officials—these payments being invariably sent away in specie and not through the channels

of trade. On opening the books on June 24, 1796, with only Tls. 13,081 in silver in the treasury, it is noted, in connexion with the instalment due from Shy Kinqua's estate, that

> the difficulty not to say impossibility there appeared on account of the distressing scarcity of Currency of raising Specie sufficient to pay the above sum, laid the Merchants under the necessity of requesting that we would permit the whole to be put to their several accounts agreeable to the proportions settled amongst themselves.

This statement was made in the Committee's report to the Court on the season 1795; later in the report they refer to the bonded debt for 250,000 dollars borrowed from the Spanish Company, and state that

> this sum has enabled us to fulfill our promises to the Merchants. . . . The periodical call for duties which must be paid in Specie is a Source of the most distressing Embarrassment to the greater part of them and the premium sometimes paid to procure the necessary supply is such as none but very great Capitals can be proof against.

In their first report for the season 1796, dated December 29th, they urge the speedy dispatch from London of 'an ample remittance of Bullion'; and in a consultation on February 8, 1797, on the distribution of their tin and lead so as to serve in lieu of silver in payments due for tea, they record a minute:

> We can readily admit the Embarrassments that are produced by a scarcity of Currency, the actual loss however is much less than at first strikes us on a superficial regard of the subject, as will be shewn by the following simple statement, of the Truth of which we can speak with confidence.—Head Dollars are of the Touch 92, and are now readily exchanged for an equal weight of Sisee of pure Silver of Touch 100, by which it is evident that Head Dollars bear a Premium of 8·69 Dec ℘ Cent.

On March 27th, when the Committee were receiving dollars for 365-day bills on London at 5*s.* 5*d.*, they record that

> it is an indubitable fact that has lately come to their knowledge that Bills on England have been granted at 7*s.* the Dollar & three [? months] sight for money taken up by some of our Commanders for their Ships expenses.

At the close of the season they were compelled to refuse to accept the transfer of bills by merchants to commanders owing to the scarcity of silver, and, June 6th, they record that

it may not be unnecessary here to add that the Specie we have reserved in our Treasury is about 17,000 Dollars, but, as our Compradores accounts are made up to the 31st of December, tho' there is a small Balance in our Favor on the Books, we are at present very largely in arrears to him.

The season, in which the investment had amounted to nine million dollars, thus closed, as it had opened, with less than twenty thousand dollars in specie in the treasury. In this stringency the Committee were helped by the action of the Spanish Company, whose bonds fell due for payment on December 31, 1796. The agent agreed to renew the loan for one year; he asked for an increase of the interest to 12 per cent., but finally consented to accept the old rate of 10 per cent. The stringency also seemed favourable for the introduction of a new coin which was imported.

The Dollars brought by the Americans are a National Coin agreeing precisely in weight with the Spanish Dollar, but on assay have a few Cash more of alloy; they are stamped with the Head of General Washington with fifteen stars and the motto of 'Liberty' dated 1795 and have on the Reverse an Eagle surrounded with Laurels and the Motto 'United States of America'.

The dollars sent from London by the English Company (consisting this season of head dollars) always came in chests containing 3,488 ounces troy weight; and these, reckoned at the rate 120·8 = 100 taels, were taken into account and paid out in units of an unbroken chest, as equivalent to Tls. 2,887·4172. It was the practice of the English Company alone to receive and pay out all silver, whether coin or bars, by weight; but the Committee began to consider the advisability of paying and receiving by count (tale) as other nations were in the habit of doing.

Apr. 3, 1797. Conformably to our Intention signified yesterday to examine a Chest of Treasure previous to our Europe Bullion being issued, the Committee met for that purpose; & on counting chest No. 26 ℔ *Thames* it was found to contain 4027 Head Dollars and broken money to make a total of Head Dollars 4028·2637. By the usual mode of converting 3488 oz. of Silver at the rate of 1 oz. 208 dec ℔ Tale weight & 7 m. 2 c. (Tls. 0·72) ℔ Dollar, a chest supposing the Dollars to be of full weight should yield Head Dollars only 4010·3016, which deducted from the actual contents 4028·2637 in the present trial proves 17·9621 Head Dollars to be the profit ℔ Chest that would

result from payment by Tale instead of Weight. There can be no doubt that this redundancy of Dollars must arise from a deficiency somewhere or other in their weight ; it is in point however, to observe that they differ in no respect from those which are universally brought, & thrown into currency, by every Nation excepting the English, trading to this Country ; that they pass current by Tale amongst the Natives ; and that it is the universal practice of the Merchants to pay their European Creditors in the same manner ; and they invariably observe the practice as soon as Europe Bullion is paid them from our Treasury to count it over & retain to themselves whatever number of Dollars the Chests are found to contain over & above the sum of 4010 & the odd fractions. In the current business also of our Treasury, Bullion has for many years been received & issued by Tale with the exception only of such Silver as has been sent us from Europe.

In their instructions of February 24, 1786, the Court had

disapproved of the custom that was observed to have latterly prevailed of passing the Dollars to the Merchants by Tale instead of Weight :

but, if the Court should be disposed to reconsider the matter, the Committee suggested that

in all future consignments of Bullion the Chests may contain a specified number of Dollars instead of Weight.

In the scarcity of silver the truck character of the trade becomes even more marked than before.

Dec. 29, 1796. It is true that our Merchants maintain an opinion that Woollens to the extent of a Million of Tales amply supply this Empire & that any excess above that amount expose them to heavy loss. But as most of their Contracts with the Country dealers are formed on a principle of Barter, we cannot but think their hardships somewhat exaggerated. Our prices of Teas must ever be guided by the nature of our payments, and their value at Market ; what the Merchants lose therefore in their Receipts must somewhere or other find its equipoise in their Returns.

Feb. 11, 1797. Mowqua next attended & very readily agreed to be paid the Balance of his Raw Silk & the amount of his Nankeen Contracts in Tin & to take his proportion in the residue both of that & Lead.

While the imports from England were at this date providing, with much difficulty and loss, somewhat over a half of the resources available to the Committee, the country trade from India provided the rest. In this the total import of cotton, 171,554 piculs, realized a sum of Tls. 2,250,000, of which a considerable proportion came into the Company's treasury. The

proportion coming from opium cannot even be conjectured; it was imported entirely by country ships, English or Portuguese, and never by those of the Company.

June 27, 1796. A small Vessel, the *Dragon*, imported [at Macao] from Bengal. She touched last at Tringana where, we understand they sold part of their Opium on advantageous terms. This vessel does not proceed to Canton.

In their sailing orders, November 28, 1796, to the commanders of Company's ships from Bombay to Canton, the Governor and Council of Bombay direct that

You must take the most particular care that no Opium is laden on board your Ship by yourself, Officers or any other person, as the importation of that article at China is positively forbid & very serious Consequences may attend your neglect of this Injunction.

In estimating the amounts of tin and lead, and the sums in transfers in the treasury, to be paid to each merchant in October, when none of the direct ships of the season had arrived, it was necessary to prepare a statement of the dealings with each, giving us in column C his relative importance. In the table below the amounts are given for

A. Balance owed by merchant on October 23rd;
B. Probable amount of his contracts;
C. Total (A + B) of his liabilities;
D. Value of woollens and tin from England, and cotton from Bombay, already delivered ex early arrivals;
E. Probable value of his share of woollens yet to arrive;
F. Total (D + E) of his arranged receipts;
G. Balance still to be paid to him.

	A. Tls.	B. Tls.	C. Tls.	D. Tls.	E. Tls.	F. Tls.	G. Tls.
Puankhequa	177,102	729,440	906,542	131,719	450,000	581,719	324,82
Geowqua .	18,510	309,150	327,660	29,594	225,000	254,594	73,06
Mowqua .	356,644	532,720	889,364	77,735	225,000	302,735	586,62
Puiqua . .	149,595	363,260	512,855	52,872	225,000	277,872	234,98
Yanqua. .	33,428	351,760	385,188	29,412	225,000	254,412	130,77
Poonqua .	..	150,250	150,250	35,159	112,500	147,659	2,59
Chunqua .	96,538	253,140	349,678	14,114	112,500	126,614	223,06
Gnewqua .	18,755	145,500	164,255	13,969	112,500	126,469	37,78
Conseequa .	112,070	131,400	243,470	..	..[1]	..	243,47
	962,642	2,966,620	3,929,262	384,574	1,687,500	2,072,074	1,857,1

[1] One share of woollens, assigned to Conseequa or Munqua, held over.

These Hong Merchants were induced at times to save the Company from a loss in small matters. The stationery held over was written off as unmarketable; but a consignment of linens and shawls, invoiced at Tls. 2,339, was taken over in equal shares by the five first named and Chunqua, with the urgent request that no more be sent; and the same six took over the presents rejected by Viceroy and Hoppo in the season 1795, at a total price of Tls. 1,403.

Of the merchants in this list two had become the subject of some suspicion. Poonqua's affairs first attracted attention in December:

> We are sorry to remark that some caution must necessarily be observed towards Ponqua, to whom we shall not give his sixteenth of the Woollens, until he has settled with us for his Contract Black Teas. . . . His ability to maintain his Station as a Hong Merchant for any length of time is certainly problematical.

This house was nursed through the season by delivering imports to it only against actual deliveries of teas. In the same month it became known that Conseequa, the newest of the merchants dealing with the Committee, had attracted the attention of the officials.

> Jan. 8, 1797. About a month ago we were informed that Conseequa had been seized by the Hoppo's Officers & convey'd to the City where he still remains in confinement . . . but we since learn it was his extensive business with Europeans & his reputed wealth that had attracted the notice of Government. It has given us some trouble as the Chops of Tea purchased of him last season are not permitted to be shipped; and as the Hoppo has by some means possessed himself of the names of these Chops, other Merchants have been prevented shipping Parcels that bear the same name, lest the Hoppo might by collusion be prevented from turning this affair to his private advantage.
>
> Jan. 15. Probably from the circumstance of Puankhequa being related to Conseequa, or from the delicacy of the subject, he seemed desirous of avoiding our Questions, but when at last we pressed him to explain, he told us that his extensive dealings with the Europeans without the license of a Hong Chop had exposed him to what he was now suffering; he thought the business would end on his paying a considerable fine; and he believed that its not being already terminated was from an Idea Conseequa entertained that time might produce some mitigation in his favor.

On May 8th, to help him to discharge his balance due, the

Committee accepted his transfer to the amount of Tls. 34,988, and assigned to him a small share in the tin then still undistributed.

Munqua's total liabilities were estimated in October at about Tls. 500,000, of which the balance then due to the Company was Tls. 128,167, about Tls. 100,000 owing to private Europeans, and the rest to Chinese country dealers.

> For the Liquidation of this Debt there does not appear any Property remaining nor hitherto any plan concerted, his Houses and Landed Estates are already sold or mortgaged for the discharge of the Emperor's duties,

and, it may be added, to make the necessary presents to the officials concerned in winding up his estate. The Committee consulted with Puankhequa, as head of the Hong Merchants, and Mowqua, as Munqua's old associate in business; and they urged that Seequa should receive substantial help in contracting for teas and delivering them, in order that his credit with the country dealers might be placed on a solid basis. The Committee accordingly agreed with Seequa that he should continue to obtain teas from the country dealers and offer them to the Company under his existing contracts; and that they, on receiving the musters and agreeing the price, should forthwith pay him 75 per cent. of the purchase money, sometimes in silver, but generally in woollens, tin, and lead; the remaining 25 per cent. was to go to reduction of his debit balance. This was carried out during the remainder of the season, and the debt to the Company was reduced at its close to Tls. 96,345.

Shy Kinqua's second dividend, Tls. 97,832, was settled on May 12th, 1797—Tls. 28,532 to the Company, and Tls. 69,300 to private Europeans. The obligation was assumed by the other nine Hong Merchants in varying proportions, from Mowqua Tls. 23,826 to Poonqua Tls. 4,655; Munqua's share, Tls. 5,458, was further redistributed among the remaining eight.

> The Committee therefore agreed to accept the Merchants Transfers for their respective shares of the private Dividend & to debit them for what is due the Hon'ble Company; also to place Munqua's proportion to his account on the Body of Hong Merchants giving their joint Bond.

At the same time the Committee secured from the Hong

Merchants a similar proportionate acceptance of liability for Shy Kinqua's returned rubbish teas, amounting to Tls. 1,685.

The House of Agency was not liked by the staff of the factory, who objected to the pooling of the profits. For the season 1795 the commissions amounted to 21,294 dollars, of which one moiety was retained by the two managers, and the other moiety distributed among the other members of the staff below the Select Committee, 1,183 dollars to each of six supercargoes, and 591½ dollars to each of six writers. Messrs. Drummond and Sparkes resigned at the close of that season, and it was only after much pressure that the management was accepted by the two most junior among the writers, Mr. William Parry and Mr. Samuel Williams.

Outside the staffs of the English, Dutch, Swedish, and Spanish Companies, the foreign residents in 1796 were the following :

Danish : Mr. David Reid, King's Resident.

Prussian : Mr. Daniel Beale, Consul ; Mr. Thomas Beale, Secretary.

French : M. Piron, merchant.

American : Mr. Howell, merchant.

The last named had made, apparently, a beginning in the neutral trade which was to be so profitable in the ensuing years.

> July 1. Anchored in the Roads [Macao] a small American vessel, the *Lady Washington*. This vessel is the property of Mr. Howell an American Resident at Canton, who is engaged in a House of Agency with Mr. Bagman third Supracargo of the Dutch House. She is now returned from Batavia with a small Cargo of Spices on which there is a Bill drawn in favor of the Dutch Company here of Thirty thousand Dollars. . . . It is strongly suspected their Cargoes are in reality Dutch property.

The Company chartered its ships at an agreed rate for an agreed number of tons burthen builder's measurement, usually somewhat under their full tonnage. Thus in the case of the *Prince of Wales* (I), she had been taken up as a transport to Botany Bay at a tonnage of 450 tons ; but on arrival at Canton her commander represented that her actual tonnage was 477 tons, and that, because of service as transport, she had a crew of 60, all Europeans, instead of 40 as customary on ships of her size, that she was copper-bottomed and well found, and that she was

very completely armed with 20 Eighteen Pounder new constructed Carronades and 12 Six Pounder Common Ordnance Guns.

On these grounds he asked for charter money for the iron ballast.

With respect to allowance of Freight on Kentledge (or Iron Ballast) of which the Ship has upwards of 40 Tons on Board, and for which in very many cases an allowance of Freight is made, I have to request you will . . . make such allowance as you may think reasonable & equitable on the same.

Ordinarily no freight was paid on the tonnage space reserved for private trade (90 tons on the big Indiamen, 12 tons on the Botany Bay ships): on kentledge was paid full, or half, or no freight, as might be agreed; and half freight was now, by unvarying custom, paid on the cargo loaded on the ship in excess of the tonnage at which she was chartered. This surplus tonnage seems, in general, to have amounted to one-sixth. At a consultation of August 18, 1796, after the arrival of the ships of the previous season sent by way of Indian ports, but before the arrival of any of the ships of 1796, the Committee made a calculation of the tea required for their investment; and, after allowing for an estimated quantity of 1,399,523 lb. in private trade, they found that there remained to be provided by the Company 28,416,528 lb.

	lb.	lb.
Of this they had in hand . .	10,903,531	
and contracted for . .	13,473,500	
		24,377,031
leaving to be provided . .		4,039,497

Then they proceeded to calculate on the basis of the tonnage arrived and to arrive:

	Tons.		lb.
Chartered Tonnage of 21 ships . .	23,993		
Computed Surplus . . .	4,198		
	28,191	or	28,191,000
Tea already provided. . .			24,377,031
yet to be provided . .			3,813,969

The Committee were now on the point of leaving Macao to proceed to Canton, in order to load the earlier ships.

Aug. 21. The Weyune or Second Hoppo arrived here and informed Mr. Hall that the Tsonquun [Changkwan, Administrator] had sent him

to Macao to protect us from any oppressive exactions on our removal hence ; had directed also that our duties should be settled at Canton, and that we should not be stopped at any of the Custom houses on the way up.

Aug. 22. By a second message from the Weyune the object of his visit hither became a little more obvious ; he now informed the President that the Tsonquun was exceedingly impatient for our arrival at Canton as the Books of the Hoppo's Office must close the 28th Instant, and earnestly requested we would endeavor to get to Canton in time to assist him, by shipping off a few Boats of our Returning Cargoes, as the Duties were likely to fall very short of their customary amount ; but that a compliance with this request might be a means of screening him from Censure & Embarrassment, for which he should esteem himself much obliged.

Thus escorted, the factory arrived at Canton early on the 25th and were visited at once by Puankhequa, who urged them to ship at least forty boat-loads of tea in the next three days, offering a joint indemnity from the Hong Merchants against loss by weather, pilferage, or fraud. The Committee consented to co-operate in this way, and took the opportunity of asking

that attention might be had to Justice in assessing the duties on our removal from Macao ; to this Puankhequa said that he was authorized by the Tsonquen to assure us that strict orders had been issued to the inferior officers of the Customs, and that nothing would be levied that he could, consistently with his duty, remit.

The next day further representations were made by 'two mandarins', and the Committee increased their shipments to 45 boat-loads ; but there is no record of the reduction secured in the expense of the removal from Macao. A few days later the new Hoppo arrived.

Sept. 4. The Merchants set off to meet the new Hoppo who is within a short distance of this City.

Sept. 6. The Merchants returned ; they have not been admitted to the Hoppo's presence, but received a message from him, ordering them to make the best of their way back to Canton and prepare an assortment of Toys and Jewellery for his approbation, to be sent up, without delay, to the New Emperor.

Sept. 8. The Hoppo made his public entry, the Merchants attended the whole day at his Palace, without being admitted to his presence, and in the Evening the Toys were returned to them as not being sufficiently elegant or modern, tho' in reality they were new & costly.

The merchants were received on the 10th, having presumably given satisfaction to His Excellency with toys—or the money to buy them. This Hoppo created great difficulties for the Committee in connexion with ships from Botany Bay coming in ballast to load teas at Canton. The *Indispensible* arrived at Macao on November 19th, and was refused a pilot to take her to Whampoa on the ground that she had no import cargo. The Hoppo absolutely refused to allow any ship to enter port without bringing a cargo; and not until December 3rd did he allow this ship to enter the river, even then granting permission 'on the footing of an Indulgence'. While this Chop was being issued, the *Crescent*, which left Portsmouth on June 29th with dispatches, arrived at Macao in ballast on November 30th, also to load tea. A pilot was also refused to her; on January 5th the Hoppo granted permission for her to enter the river,

> requiring on the other hand a written promise that on the future arrivals of such Vessels neither the Europeans or Merchants would make any further application on such subjects.

The Chop was actually issued on January 17th. Then on February 16th the Hoppo wrote to the Hong Merchants

> respecting the arrival of the *Prince of Wales* (II) Transport at Macao without Cargo, repeating his objections to Vessels in that predicament importing here; directing that the English Chief might be made acquainted with the Circumstance & desired to order the Commander to quit the Coast & concluding with a resolution to apply on the occasion to the Tsontoc.

While this affair was still pending, the *Sylph*, transport from Botany Bay, also arrived in ballast at Macao on February 21st. The Hoppo was now in a towering rage, and ordered the two ships to leave the coast. So matters rested, the Committee exercising patience, until March 19th, when the arrival of six of the large direct ships of the season provided an opportunity for a further appeal to the Hoppo. The six Indiamen were measured on March 21st; but pilots were not provided for the *Prince of Wales* (II) and *Sylph* until April 5th, and they were measured on the 12th in company with a second fleet of five Indiamen from London. It was probably with some satisfaction that the Committee recorded the following note:

April 30. Late last night a Chop arrived from Pekin, recalling the Hoppo & ordering him to proceed to the Nankeen Province to superintend the Salt Department; this removal does not degrade the Hoppo; on the contrary it is a mark of distinction.

Two deaths in the foreign community came under the cognizance of the officials during the season. On August 29th a lascar belonging to the country ship *Hornby* was killed by a Chinese. The sailor was buying some vegetables at a stall at the end of China Street, when a dispute arose, a scuffle ensued, and the keeper of the stall drew a knife and stabbed the lascar. The Security Merchant, Puiqua, was requested to bring the matter to the notice of the authorities and to 'use effectual means to bring the Murderer to Justice'. The man was arrested, a trial, at which several Europeans were present, was held by the Namhoi Hien, who found the accused guilty,

and addressing himself to the Nockaty or Persee Supra Cargo of the *Hornby* desired to know if he would be satisfied if the Prisoner was put to Death; to which receiving an answer in the affirmative, he further desired that a Chop might be addressed to him signifying the Prosecutor's Willingness that Justice should take its course according to the Chinese Laws.

On April 16, 1797, Mr. Goumore, a Swiss mechanic in the employ of Mr. Beale, committed suicide by cutting his throat.

The Namhoiyuen examined the Body and being satisfied of the suicide permitted the Corps to be buried.

The accession of Kiaking to the throne was marked by many outbreaks in different provinces, one in Kwangsi calling for the presence of the Canton Viceroy. There was also great activity in piracy along the coast. On August 14th a Portuguese ship arrived at Macao from Cochin China; she had been boarded to the eastward by pirates and plundered, and all non-Chinese on her were killed.

This is the second instance that has occurred of these daring & alarming depredations.

Later it was learned that the English country ship *Kennett*, while on her way from Manila to Macao in June, was attacked by a fleet of 26 Ladrone junks among the islands, and was taken after a fight of several hours. They killed all on board except

four, plundered her, set her on fire, and carried off the prisoners in different ships. On October 26th the newly arrived Viceroy brought in his train from Chekiang an English sailor from the ship, Richard Ramwell, and delivered him to the English factory under express orders from the Emperor.

The operations of the pirates disturbed the course of trade. They interfered with the dispatch of emigrants to Penang, because the people from the islands feared to be arrested and executed as pirates by the naval and military authorities engaged in the repression of piracy; and they reduced the prices given for the tin and lead, because of the risks of transport. The huge Indiamen, high in the sides and well armed and manned, incurred little danger; but they had the war risk always hanging over them. The *Triton*, of the 1795 fleet, had been taken by the French through a ruse, her captors having hailed her in English and got on board without suspicion of their nationality; and French squadrons were constantly cruising around the Straits of Sunda and of Malacca, while the Dutch were now acting in conjunction with them. The Select Committee heard from Amboyna, under date of December 21, 1796 (received February 21st), that six French frigates were cruising on the track of the China ships; and other tidings of similar import caused the Secret Committee much preoccupation for the safety of their ships.

The Secret Committee in this season consisted of the members of the Select Committee, who, for the secret business and for the correspondence with the Secret Committee of the Court of Directors, went into secret meeting and kept a separate record of secret consultations. In the secret records of the Canton Committee the only matters of interest are the correspondence with the Admiral commanding the British fleet in Eastern waters, and the decisions made as to the route to be followed by the homeward bound fleets of Indiamen from Canton.

The correspondence with the Admiral consisted chiefly of the intercommunication of news and of rumours, and comment on the probable truth or falsity of the rumours; but occasionally we have the report of an action, such as the bold entrance of Captain Edward Cooke with H.M.S. frigate *La Sybelle* and brig *Fox* on January 13, 1798, past Corregidor into Manila Bay,

where he found at Cavite the Spanish fleet of four line-of-battle ships and four frigates, all in a state of unpreparedness. These ships, covered by the guns of Cavite, were too strong for his weak force, and a merchantman, which he had hoped to cut out, was found to have landed her cargo ; so

they stood out of the Bay with several Gunboats that had fallen an easy prize to them—

an act of audacity foreshadowing the similar action of Admiral Dewey, U.S.N., a hundred years later, on May 1, 1898.

It was less agreeable to read a complaint made by Rear-Admiral Peter Rainier in which, after expressing his thanks to Mr. Hall, he charges Mr. Browne with inattention to the needs of the fleet under his command, with which he had just taken Amboyna and Banda.

Am sorry 'tis not in my power to express an equal satisfaction with regard to your exertions in complying with my request to assist Lieut. Dobbie, on his arrival at your Factory, as they do not appear to me to have been made with that earnestness, the Public Service required, and which from your very respectable situation in the Hon'ble Company's Service, I had flattered myself they would have been ; nor with the inattention shewn to my recommendation of having the homeward bound Ships to call at Amboyna, which would have enabled me to have acquired the possession of Ternate & its dependencies for the King, as suggested in my letter, the loss of which opportunity may be much regretted by his Majesty's Ministers.

This letter was dated December 30, 1796, at Macao, to which Admiral Rainier had come, with a line-of-battle ship, a sloop, and three transports, in order to convoy the Company's ships on the first part of their homeward voyage.

With French fleets cruising around the approaches to the Straits of Malacca and the Straits of Sunda, and based on Mauritius (until 1810) and Batavia (until 1811), the decision on the route to be followed by the homeward-bound ships was a serious business, further complicated by the factor of the monsoon.

In the season 1796 a first fleet of six ships was dispatched on January 10, 1797, under Captain Lestock Wilson as commodore ; and, after mature deliberation, it sailed without the convoy of Admiral Rainier. The instructions given to the

commodore directed him on his departure from the Ladrones to strike soundings on the Macclesfield Shoal; then to pass at least twenty leagues to the eastward of Pulo Sapata; thence to the eastward of the Natuna Islands, between them and Borneo; thence to skirt Borneo in order to go through the Straits of Sapi, or Allas. Having thus entered the Indian Ocean, accepting convoy wherever available, and sailing in company with any other Indiamen, he was to make for St. Helena. He was also provided with sealed secret instructions which he was on no account to open until within one hundred leagues of the Cape of Good Hope, authorizing him to call in at Cape Town for water and refreshment, and directing him, if his approach to St. Helena should be barred by an enemy fleet, to make for the Island of Fernando Noronha, and thence pass to the westward of the Azores and keep to the north of latitude 49° 30′ N. and south of 51° N.

Those instructions were for ships sailing in the full strength of the north-east monsoon. The final fleet of 17 ships was dispatched on June 13, 1797, at the height of the south-west monsoon; and the instructions for making the eastern passage, news of the entrance of Spain into the war having that day been received from Madras, were thus reported to the Secret Committee of the Court of Directors:

As we are now possessed of European news to as late as the end of October, and perceive very serious grounds to apprehend a rupture with Spain [definite news received five days later, on June 13th] a risk presented itself particularly to our last dispatch which (with the force the Spaniards now have at Manilla three line-of-Battle Ships of 74 guns and at least five frigates) we could not think it prudent to incur, and therefore resolved to give the Hon'ble Company's immense property under our management, the whole support that the connected force of our Shipping could afford, and we accordingly close our Season with the following dispatch under the orders of Captain Charles Drummond [total of 17 ships]. As these Ships at this advanced period of the Season must necessarily pass to the Northward and Eastward of the Philippines we have recommended it to our Commanders to keep the South end of Formosa as near on board as prudence will admit, the Spaniards having a Settlement on Grafton Island, and possibly posting frigates there. The fleet will then proceed by the Route commonly called the Pitts Passage and Dampiers Strait and thence to the Eastward of Ceram.

The ships were to enter the Indian Ocean by any of the straits to the eastward of Sumbawa and proceed to Cape Town, for which place the Committee had sent

Supplies to the amount of Tls. 34,292 but as a blind to the Destination of our Ships these packages are marked and their papers made out for St. Helena.

A year later, April 25, 1798, the fleet of 16 ships having sailed in March under convoy and therefore without instructions from the Committee, one belated ship had to be provided for; and her commander referred in one sentence to the time of Commodore Drummond's passage by Formosa:

In my opinion I cannot think the Spaniards would like to encounter the shifting of the Monsoon cruizing between the Bashees [i.e. between Formosa and the Philippines] where they met with such damage last year.

On the strength of this opinion the Committee instructed him to follow in all respects the course laid down for Captain Drummond in June, 1797.

The agent at the Cape of Good Hope, in his indent for supplies, had asked that half of a total quantity of 975 piculs of tea should be packed in 10-catty boxes; and the Committee made a calculation of the additional cost.

	Tls.
1 picul Congo occupies 1½ ordinary chests, costing	0·500
packing in 10 boxes at Tl. 0·250, costs	2·500
Increase in cost of packing	2·000
1 picul Congo at the Hoppo's scales, weight on which duties are charged, about	1 picul 25 catties
if packed in 10 boxes, estimated weight	1 ,, 75 ,,
Excess	0 ,, 50 ,,
On this excess the Hoppo collects duty of	Tls. 1·440
Making the total increase of cost	,, 3·440

This note is of value as showing that the Hoppo charged on the gross weight, and that the rate of duty on the gross weight of tea at this date was Tls. 2·880 per picul, or Tls. 3·600 per picul on the net weight as ordinarily packed.

LIII

RELATIONS WITH HONG MERCHANTS, 1797

THE same Select Committee carried on into the season 1797. The books were opened on May 31st with the following balances:

	Tls.	Tls.
Cr. by Silver in treasury . .	16,054	
Tea in stock, 10,694 piculs .	177,834	
Factory account . . .	6,021	
Owed by Shy Kinqua . .	114,128	
,, ,, Munqua . .	96,345	
		410,382
Dr. to Owed to Chinese merchants	2,151,100	
,, on Interest Bonds . .	176,470	
		2,327,570
Debit Balance . .		1,917,188

During the season the Company loaded 18 ships of 17,923 tons. Their import cargoes realized: English products Tls. 1,533,244 (invoiced £548,678), Indian products (sandalwood and pepper) Tls. 133,045; total Tls. 1,666,289. Of silver were imported, in Mexico dollars, Dutch guilders and French crowns, 217 chests containing 756,896 oz. = Tls. 626,570 = 870,138 dollars.

The treasury received: 2,596,146 old dollars for bills on London at 5*s.* 6*d.* and 365 days; 17,353 old dollars for bills at 5*s.* 10½*d.* and 730 days; for bills on Bengal at 30 days, 463,096 head dollars at 38½ ₹ 100 current rupees, and 293,387 head dollars at 41; 99,000 head dollars under Madras engagements; there is no record of the certificates, but they are again assumed at 300,000 old dollars; freight Tls. 8,840; making a total of Tls. 2,710,189. The investment by the 18 ships was invoiced at Tls. 5,505,975.

The trade of the port of Canton during the season 1797 was as follows:

	Ships. No.	*Cotton.* Piculs.	*Tea.* Piculs.	*Silk.* Piculs.	*Nankeens.* Pieces.
English { Company	18	77,445	184,653	453	144,700
English { Country	22	127,287	1,296	1,415	103,300
American	11	..	23,356	283	200,000
Swedish	2	..	10,508	..	25,000
Danish	4	709	9,848	253	100,000
	57	205,441	229,661	2,404	573,000

Of the American ships one brought no cargo, 5 brought only furs, and none brought any cotton or other Indian produce. Of ginseng American ships brought 90 piculs, English 165; of fine furs, American 26,316, English 7,030; of rabbit skins, American 2,856, English 88,705. The nations engaged in war against England—France, Spain, Holland—were not represented; but in one case at least neutrals acted for them:

> Apr. 13, 1798. This day arrived from Macao Mr. Fuentes Chief of the Spanish House and Mr. Bosma in the Dutch Service—they are come up we understand to transact the business of the *Mercury* American Ship lately arrived from Manilla, which brings to their address a Cargo of Mother of Pearl Shells and a consignment of forty thousand Dollars. The *Mercury* we likewise learn returns to Manilla with Pepper and Nankeens.

Three of the Company's ships brought from London 250 chaldrons of coal, invoiced at £565. No market could be found for it, and, apart from some sale to King's ships, it was used in the factory instead of firewood.

The fleet of 17 ships which was dispatched from Canton on June 13, 1797, met with bad weather; so, at an earlier date, did the Spanish fleet of two line-of-battle ships and four frigates, which left Manila in the middle of April with the double object of covering the Acapulco galleon which was then expected, and of intercepting the homeward-bound English Indiamen. Early in May the Spaniards encountered a typhoon, in which every ship was dismasted and one frigate lost; the survivors returned to Manila, where they served as mastless floating batteries to protect Cavite and Manila from an expected English attack.

The fleet of 17 Indiamen took their departure from the Ladrones on June 16th, and on the 19th encountered a typhoon which scattered the ships, and so injured the *Boddam* that it was decided to send her back to refit, attended by the dispatch vessel *Crescent*. They arrived at the Grand Lema on July 7th, and anchored in Macao Roads on the 24th; a typhoon on the 27th drove the *Crescent* out to sea, from which she returned without her foremast and bowsprit. Meantime the rest of the fleet, reunited, passed between Formosa and Luzon, and on July 2nd, in 17° 30′ N. and 126° 50′ E., encountered a typhoon in which the *Canton* was seriously damaged and the *Glatton* less

severely. The two then turned to go back to Canton, but were separated; the *Glatton* arrived at Macao on July 29th; but the *Canton* only crawled in on September 7th after many vicissitudes and much suffering, so great that two or three men died every week, and the commander, Captain A. Vyvyan, died soon after arriving at Canton.[1] The *Canton* had lost her masts and rudder, had repeatedly lost jury-masts and jury-rudder, her hull was badly damaged, and much of her cargo was spoiled by salt water. The other three had lost one mast or more, and their rudders, but their hulls were sound and their cargo uninjured. They all required to be hove down and refitted; and the *Canton's* cargo had to be landed, sorted, the sound teas repacked and reshipped. The Hoppo was confronted by a situation for which there was no precedent; and in such a case his natural tendency would be to negative every request. Each ship in turn was refused permission to enter the river, where alone, at Whampoa, the necessary refitting could be carried out. The first three to arrive (July 7th and 29th) proceeded on August 6th, without authorization, to Anson's Bay, midway between Chuenpi and Anunghoi, an unsafe anchorage in the south-west monsoon; and they were not allowed to enter the river until August 22nd. They completed their repairs and were dispatched under convoy on December 29th.

The *Canton* entered the river on September 19th; and after much discussion and many refusals, permission was given to land her cargo and repair the ship. She was repaired and reloaded barely in time to form one of the fleet of 16 ships which were dispatched under convoy on March 25, 1798. The repairs cost the owners 18,200 head dollars = 17,843 old dollars, which were advanced by the Committee against the commander's bills on his owners at 6*s.* ℔ old dollar and 90 days' sight. The cost to the Company, apart from demurrage, was Tls. 7,958 for unloading and reloading, besides the value of the damaged teas as follows:

237	chests	Bohea	Short of the former quantities occasioned by some being totally damaged and others damaged in part which was separated from the serviceable, the remainder repacked and the damaged all started into the river.
356	,,	Congou	
24	,,	Souchong	
23	,,	Hyson	
4	,,	H. Skins	
41	,,	Twankay	

[1] Cf. Appendix L.

It will be observed that the loss was chiefly in the Bohea and the Congou; the Bohea always formed the lowest tier in the ship, directly over the ballast and dunnage, and the Congou next above that. The Committee wished to substitute good tea for that damaged, in order to utilize the tonnage, but they were strongly advised not to raise the question, and warned that, if they did, they might be called on to pay import duty on landing the ship's cargo and export duty on reshipping it.

The transports from New South Wales and the dispatch vessels from England arriving without import cargo again created a difficulty. At last the Hoppo himself found a way out of the situation, which he had created, by requiring that the request for permission to enter port should be made, not by the Committee, but by the commander of each ship; he thereupon in each case granted the permit. The reason for this expedient, proposed by the Hoppo, is not clear.

We again have a calculation in a consultation of October 28, 1797, of the dealings with each merchant, from which, in column C, we are able to estimate the relative importance of each in the Company's transactions. In the table
A gives the merchant's credit balance on that date;
B gives the probable amount of his contracts;
C gives (A + B) his estimated credits for the season;
D gives the estimated value of his share of imports;
E gives (C − D) the amount to be paid him in cash or in transfers.[1]

	A	B	C	D	E
Puankhequa	367,379	815,137	1,182,516	400,000	782,516
Mowqua	424,181	616,396	1,040,577	200,000	840,577
Geowqua	2,912	358,180	361,092	200,000	161,092
Yanqua	397,281	775,590	1,172,871	200,000	972,871
Ponqua	18,096	277,411	295,507	100,000	195,507
Chunqua	165,275	418,415	583,690	100,000	483,690
Gnewqua	172,667	345,475	518,142	100,000	418,142
Conseequa	203,745	352,135	555,880	100,000	455,880
Totals, Tls.	1,751,536	3,958,739	5,710,275	1,400,000	4,310,275

Puiqua does not appear in this list, probably omitted through carelessness in transcribing. Munqua (per Mowqua) is stated separately to have a debit balance of Tls. 96,345, of which Tls. 12,828 rests on the joint security of the Hong Merchants;

[1] Cf. *postea*, p. 301.

and that the contracts in his name will amount to Tls. 300,000, but that no credit will be given.

At the close of the season (consultation of April 24, 1798) we have another basis of comparison in the contracts made for the coming season of 1798. These were made on the principle of barter, the quantities of tea being approximately proportioned to the share in the woollens imported.

	Woollens. Seventeenths.	*Bohea.* Chests.	*Congou.* Chests.	*Souchong.* Chests.	*Singlo & Twankay.* Chests.
Puankhequa	4	880	19,500	3,000	5,000
Mowqua for self	2	440	10,000	..	3,000
for Munqua	1	680	15,500	..	6,000
Puiqua	3	660	15,000	1,000	4,500
Yanqua	2	440	10,000	500	4,000
Ponqua	1	220	5,000	..	1,500
Chunqua	2	440	10,000	..	3,000
Gnewqua	1	220	5,000	..	1,500
Conseequa	1	220	5,000	..	1,500
Total chests		4,200	95,000	4,500	30,000
Total piculs		10,838	61,175	3,532	17,100

The debts of bankrupt merchants had been assumed by the body of merchants, and were paid from their profits in proportions fixed in consultation by the Consoo. In the following table we have :

Proportions of Shy Kinqua's third dividend, Company's and private, as agreed upon by the Consoo ; and

Proportions of a balance due to the Company from Munqua and resting on the joint security of the Hong Merchants as agreed upon by the Consoo ; and

Proportions on account of damaged and returned teas of bankrupt merchants (Shy Kinqua, Munqua, and Geowqua) as agreed upon by the Consoo.

	Sky Kinqua.				
	Company.	*Private.*	*Total.*	*Munqua.*	*Damaged Teas.*
Puankhequa	5,850	14,084	19,934	2,094	353
Mowqua	4,525	10,866	15,391	4,297	390
Puiqua	4,764	11,445	16,209	1,735	346
Yanqua	3,960	9,492	13,452	448	262
Ponqua	2,359	6,605	8,964	1,621	208
Chunqua	3,182	7,605	10,787	1,560	241
Gnewqua	2,740	6,530	9,270	1,073	243
Conseequa	1,152	2,673	3,825	..	73
Totals, Tls.	28,532	69,300	97,832	12,828	2,116

Geowqua appears in the first of the preceding tables, but not in the second and third ; in the interval he had become bankrupt. On January 26, 1798, he had informed the Committee that he was in difficulties, from which nothing but an advance of two or three thousand dollars could extricate him. As he already owed the Company upwards of sixty thousand taels, the advance asked for seemed to be inadequate, and he was told that tin to the value of Tls. 20,000 had been allotted to him, and would be delivered in proportion as he delivered teas. It was then found that he was heavily involved with Parsee merchants, from whom he had bought the import cargo of the *Jehangeer*—8,704 piculs of cotton, and other commodities. The Nacoda of the ship, Shumsoodeen Abdul Razack, asked the Committee's permission to petition the Chinese authorities, which was refused on the ground that it might eventually prejudice the interests of the Company ; but Geowqua's friends were at once informed that he must decide whether he would allow the petition to go in, or would work for a private compromise. He proposed that 20 per cent. be deducted from the private claims, which would then be assumed by the body of Hong Merchants, but this offer was rejected by ' the Moormen & Persees '. The Committee thereupon, while maintaining their refusal to sanction a petition to the authorities, left it to the parties concerned to come to an arrangement. At the same time they advanced a further sum of 20,000 dollars in coin to Puiqua on Geowqua's account. They further agreed with

Puiqua his relation that the Debt to the Company should be carried to his account, on his being permitted to complete Geowqua's Contracts and receiving the residue of his Tin.

This arrangement was carried into effect.

Munqua's affairs had seemed, at the close of the season 1796, to have been placed on a solid basis for liquidation without loss ; but in the summer of 1797

Munqua [the son] found it necessary to abscond & soon after him every other branch of the Family withdrew themselves excepting an old infirm Uncle who was prisoner in the City & from whom nothing could be expected.

The Hoppo pounced on the Hong Merchants,

and at an audience of the Hong Merchants very menacing threats

were thrown out by him that left no doubt how little ceremony would be observed in employing arbitrary means for recovering the arrears of the Emperors Duties.

Spurred thus the Hong Merchants were active in negotiating with the private creditors and with the Committee. The burden was thrown by the Hoppo on Mowqua, Munqua's old associate in business. He arranged with the private creditors that the claim for interest should be waived, and that the principal of their debt should be reduced by 30 per cent., on condition that the English Company should be responsible for repayment within two years. Munqua's liabilities then stood as follows :

	New Dollars.	Tls.
Due to Individuals after deduction of Interest and 30 ℘ Cent. of the Principal	126,635	
Due to Individuals of the Dutch Factory . . .	22,240	
	148,875	=105,088
Debt to the Company as it stood in the books . Tls.	96,345	
Deduct what rests on the joint security of the Hong Merchants	12,828	
		83,517
Total due to the Company and Individuals . .		188,605

The Committee then made with Mowqua a contract in the following terms :

1°. All Munqua's debts to be considered null and void.

2°. Mowqua to be responsible for the whole sum of Tls. 188,605, the Company's debt and half the private debt to be placed to his account at the end of the current Chinese year, and the remaining half of the private debt at the close of next year ; the private creditors being at those dates paid by the Company's bills on London.

3°. Mowqua, in addition to his usual share in the contracts, to contract for teas to the value of Tls. 300,000 to be delivered in the present season, of which Munqua's existing contracts, estimated at Tls. 200,000 should form a part.

4°. The Committee to make Mowqua an immediate advance of 50,000 dollars, and as much more during the season, in Bullion or Goods as they may find most convenient, as may in the whole amount to Tls. 200,000.

5°. Mowqua, in addition to his usual share, to contract for teas to the value of Tls. 400,000 to be delivered in the next season (1798).

6°. The Committee during the next season to make advances, in Goods or Bullion in addition to Mowqua's ordinary share, to the amount of Tls. 200,000.

In discussion with the Committee, Mowqua declared that he stood to lose at least Tls. 40,000 by the transaction, and in this estimate he was supported by Puankhequa; but the Committee could see no other method by which Munqua's estate could be administered without involving Mowqua in ruin.

Silver remained scarce through the season. In August two Hong Merchants were unable to find specie to meet certain obligations; in December two of the commanders were reputed to have given bills at 7*s.* per dollar and 90 days for accommodation money; and throughout the season there were constant efforts to obtain bills by the transfer of credits, without the payment of silver. The Committee had received Tls. 626,570 in silver, but a portion of this consisted of French crowns and Dutch guilders which did not enjoy the legal tender character of Spanish dollars.

At the close of the Chinese year in the middle of February [1798] the distress of our Merchants is hardly to be described; almost any premium would have been readily given by them for Cash; and tho' it was not in our power to advance them more than two Chests each, and that in French & Dutch Coins on which they sustained a loss of from 14 to 18 ℘ Cent., that inconsiderable sum was most thankfully received by them.

For the Committee the stringency was accentuated by the necessity of repaying the bond debt to the Spanish Company, which was paid, 90,000 dollars on October 17th, 30,000 on November 7th, and 130,000 on December 31st. With the penury of their treasury and their heavy commitments to the Hong Merchants, the Committee naturally had recourse to transfers as a means of making payments. During the season they accepted transfers in the treasury for the following amounts, out of a total of Tls. 1,881,720 for which bills on London were issued:

	Tls.
Puankhequa	135,081
Mowqua, for self	476,458
for Munqua	52,544
Puiqua	382,450
Yanqua	254,574
Ponqua	50,048
Chunqua	194,781
Gnewqua	237,847
Conseequa	88,341
	1,872,124

The stringency was also made more acute for the Hong Merchants by a demand made on them by the Hoppo.

Apr. 18, 1798. We learn that an Order is lately arrived from the Emperor directing the Hoppo to levy with the utmost expedition Six hundred thousand Tales of Duties to be paid into the Public Treasury for remittance to the Armies in the Provinces. This intelligence very naturally occasions most serious alarm to the Merchants who did not expect a call for Arrears until the usual Period of July or August. About half the sum we understand is already in the Hoppos possession ; the Merchants have received his positive requisition of one hundred Thousand Tales to be paid in a month ; and the remainder they are in hopes to get remitted until they are better able to meet so unexpected a demand.

At about the same date the Viceroy did the Committee the great honour of paying a visit of courtesy—or of curiosity—to the factory.

Apr. 12. About 2 o'clock this afternoon the Tsontoc with his son attended by one Mandarin & a few domestics came to the Company's Factory. So short a notice was given of this visit that the Merchants had scarcely time to assemble. On the Presidents being introduced the Tsontoc received him with great civility, asked him whether his commerce went on well and whether he was unmolested in his Factory, and on being answered in the Affirmative by Mr. Hall the Tsontoc said he expected to go in a very short time to Pekin and should tell the Emperor that he had seen the European Factories & had found everything very proper.

The House of Agency made during the season commissions amounting to 1,166 head dollars only ; one moiety was retained by the managers, Messrs. Parry and Williams, the other was divided between the other supercargoes and writers below the Committee. The establishment (supercargoes and writers, and including the Committee) was reduced at the close of the season from nominally 20 to actually 13, chiefly by reason of illness.

The commanders had been granted an additional tonnage for the private trade of themselves and officers, and it was continued in this season, but with a limitation.

We have resolved that the additional allowance as far as 30 Tons to a Commander homeward on account of himself & his officers if he shall not have refused any of the Company's Cargo be continued as at present ; but that in no case whatever the whole allowance to the Commander & officers of any Ship shall exceed ninety nine Tons including their privilege.

The condition that ' he shall not have refused any of the Company's Cargo ' was new, and it was expressly declared that the cargo was to include ' as much Surplus Tonnage as the Ship can conveniently carry ' ; and this created a difficulty, inasmuch as the Committee shipped on board up to the very last day, while the commanders must at an early date buy their private ventures. The Committee had no desire to restrict the indulgence, and they resolved that

> Surplus Tonnage shall be taken on board to the full extent that we may choose to ship leaving only a sufficient room to receive the 30 Tons additional allowance in private trade.

The additional 30 tons were to be recognized after a certificate had been sent to the Committee, signed by the commander and by the commanders of two other ships, that the ship had, to the best of their judgment, taken as much surplus cargo as she could conveniently carry ; on condition that the total indulgence did not exceed 99 tons. There was evidently no desire to restrict the privilege unduly.

APPENDIX L

Letter from Captain Vyvyan, Ship *Canton*

To Rich[d]: Hall Esq[r]: President &c.
Select Committee.

Gent[mn]

I sail'd with the Honble Companys Ship Canton under my Command, according to your Instructions, with the Fleet under the care of Commodore Drummond of the Glatton, and on the 16th June took our Departure from the Grand Ladrone, on the 19th we experienced an excessive hard Gale of wind, or what is generally termed a Typhoon in which we lost all our Sails and did some damage to our Topmast Heads, the day following we could not see any of the Fleet, but in the Evening fell in with His Majestys Ship the Swift, and soon after with the Cuffnels—on that day we saw the Praters—on the 23rd we joined the Commodore in company with the Duke of Buccleugh, and Taunton Castle, the next day the Swift parted Company—on the 2nd July in the Latitude of 17° : 30′ north, and Longitude 126° : 50′ East, we experienced another Gale more dreadful in its consequences than the last, and which I am fearful the Fleet in general has severely felt—On Saturday Evening 1st July it began to blow from the N. East hauling round to the westward of North and so round to the N.W. At sun set on this day the Commodore bore S. by W. distant about two miles—The Duke of Buccleugh, Taunton Castle and Cuffnels in Company—we made the Ship as snug as possible before night and was scudding under the foresail and close reef'd Main Topsail, The sea getting up very fast and it blowing quite a Storm—At midnight took the Main Topsail in and not chusing to run the risk of heaving her too till day light, we kept scudding till day-break four Quarter Masters steering with the utmost difficulty—At day break found the Main rigging had slackened very much in consequence swifted it and when in the act of taking the Mainsail in the Ship broach'd too, and shipped a prodigious Sea on Deck which took away all the lashings and carried all the Boats and everything clean overboard and carried away the Foretopmast —in this situation the Tiller broke in the rudder Head and before we could get the rudder chock'd it tore all the braces and Gudgeons off the Stern Post and went adrift—during this time

the Mainmast working very much and fearful of its safety while the Maintopmast was standing, got a few people up in the Main Top who had cut away all the rigging but perceiving the Mainmast to open about 30 Feet above the deck called the people down, who had just time to reach the Deck when the mainmast went away and carried the Mizen mast with it, the wreck striking very hard both against her Bottom and Counter was obliged to cut it away with the greatest expedition and by 4 P.M. got evry thing tolerably clear—in the Evening the fore Yard broke in the slings and one half went overboard—We had now nothing left standing but the Bowsprit and Foremast, the latter I was apprehensive of as three of the Bolts of the Chain Plates were already broken off, however it fortunately stood—This Time it is impossible to describe the rolling and straining of the Ship—Daylight could easily be perceived thro the seams on the weather side, and the Gun Deck Seams particularly the Waterway ones opened so as to be able to put a stave through the Sea Making a fair breach over her at intervals, and the Orlop Deck quite afloat, great quantities of Water having been taken into it at the Places where the Tiller and rudder head was, which could not be prevented for some Hours afterwards—All the Pumps were from the commencement of the Gale constantly going which just reduced the Water in the Hold to 3 Feet, and as it came out discolor'd I am under serious apprehensions that great quantity of your tea is damaged—From the first of the Gales moderating we began to collect materials for making a rudder from a Plan of Cap[n] Pakenhams, and in getting what few spars we had left to act as Jury Masts—the Sea running very high tho' less wind the ship roll'd so dreadfully that it was with difficulty we could keep the Guns fast, every thing else breaking adrift, and all the water stowed on the Gun Deck was obliged to be stove to save the lives of the People, in consequence of which we lost about 12,000 Gallons and was under the immediate necessity of going to an allowance of a quart a man ℔ day—In the hopes of meeting with assistance from some ship that might be near we constantly fired Guns and during the night burnt false fires—All Monday pass'd over without a sail to be seen tho' the weather was now fine and the water smoother. At 8 oClock on Tuesday morning we were made happy in seeing a ship out of the Foretop in N.N.E. standing to the S.E.ward about 16 miles off—we made the signal of Distress and fired 8 and 10 guns at a time in hopes that so great a sound and so much smoke would arrest the attention of the Stranger, but it was 4 oClock P.M. before we could perceive that she noticed us—we made all the attempts possible to wear ship towards her but every effort proved ineffectual—at 10 P.M. we had the pleasure

to see the stranger answer our blue lights, and the following day an Officer came on board from the Glatton—They had experienced the severity of the Gale, lost all their Boats, but the Jolly Boat, sprung their Foremast very badly and broke three Tillers and had nearly lost their rudder. Captⁿ Drummond kindly took us in Tow and sent us what assistance he could, but the Hawsers and Cables we were towing by were constantly breaking, and as the sea at times ran high it made it not only a very unpleasant and difficult Task but a very dangerous one. We experienced a variety of bad weather when on the 14th July we got the rudder finished and Shipp'd and were getting on with the assistance of the Glatton, tolerably well till the 18th when another Gale came on from the N.N.E. with a very great Sea which on the Evening of that day broke the Chain fast to the Cap which form'd a lower gudgeon for the rudder, in consequence the rudder upset and the ship would not steer—fired guns and handed the Sails which the Glatton answered by heaving too, near us—at 11 A.M. the next day we saw the Island of Bottel Tobago Xima near us and the ship driving by the Current fast towards it,—try'd to wear ship but all in vain in consequence laid all the sails aback—at 3 P.M. being very near the Breakers and the Sea running very high and blowing a very hard Gale Set the Foresail and handed the after sails which paid her head off one point to leeward of the small Island to the Eastwᵈ of Tobago and she just clear'd a long reef of rocks, on which the Sea furiously broke, within a cables length—loos'd all the sails and laid everything aback in hopes she would drive to the westward, at 5 P.M. we had the Mortification to loose sight of the Glatton, and at this time the rudder which had been towing by the remaining chain went entirely adrift—By midnight she had drove past Bottel Tobago Xima, it then bearing E. by N. of us. At day break next day no land in sight nor any appearance of the Glatton (we fired guns all night and burnt blue lights). At 9 A.M. saw the land bearing N. and as it was a Point, I took it for the south end of Formosa, but at noon by the Latitude which was 22°. 39′ N. found to our sorrow that we had drove considerably to the Northward, and could then distinguish it to be an Island not more than two miles from us, and on which we were driving very fast it being now almost a calm and the swell setting us fast upon it—thus situatedwithout rudder or any boats to tow we were under the necessity of letting her drive only helping her what we could by backing and filling the few Jury sails we had set and at 3 P.M. had the satisfaction of seeing her drive clear within a quarter of a mile of the Island which was large barren rocks entirely surrounded by a Coral reef—made a machine to try to steer from a Print I had seen of

the Neptunes and on the 21st got it fixed—it wore the ship very well but would not steer her within eight points of the Compass —with this machine which took all hands to work it and with the assistance of smooth water and a strong northerly Current we got her up along the N.E. side of the Island of Formosa, till the 23rd when we were off the N.E. end of the Island, here we got amongst a multiplicity of Islands, or rather small rugged rocks, none of them larger than a Ships Hull and for two days experienced every difficulty the imagination can form—on Tuesday the 25th by Gods Providence we got clear of this Laborynth of Islands and got the N.W. point of Formosa to bear East of us—during this time we had been making a new rudder upon the Pakenham Principle, in the Evening of the 25th it blew another hard Gale from the S.E.ward so that we were under the necessity of cutting the Machine adrift and tho' to Leeward of the Islands where we might naturally expect smooth water, yet the sea ran very high—on the next day we had drove into 26° North—On this day it moderated and we got the new rudder finished and shipped—The people are so reduced by constant fatigue and bad weather that very few can stand the Deck more than one half being in a dying state—and the only sails we have got to set are so very diminutive they have little effect to move so large a Body—they are as follows—a Forestaysail—a Foretopsail with two reefs in it for a Foresail, a Spreetsail for a Foretopsail—and Royal for a Foretopgallants'l and a middle Staysail for a Maintopmast stay sail, spreetsail for a mainsail—Topgall^{t} sail for a Main Topsail and Royal for Main Top Gall^{t} sail, a Mizen Stay sail, a Spreet sail for a Cross Jack and Topgall^{n} sail for a mizen Topsail.

On the 27th July made the Lam-fit Islands on the Coast of China, here we got becalmed for two days after which a S.W.erly Set in and blew very hard with a great sea, in attempting to work against it we lost considerably daily and on the 1st of Aug^{t} were drove back again further to the N.ward than we had been before—we had now fifty six of our people very ill indeed, burying two and three a week, and very little water left in consequence stood in for the Coast and made it in La^{t} 26° : 3′ N°. Getting in with a number of Islands came too for the night: next day blowing harder from the S W^{t}ward weighed and ran further in for shelter—a number of Chinese boats about but none would venture and having no boat we could not board them— On the 5th August got a Chinaman on board who on the 6th run us into a very secure Harbour close to the Continent, surrounded with Islands to the Sea and abreast of a considerable Town call'd Ting Hoy (in the Charts Ting hayso) the Lat. of the Ship being 26°. 10′ N. and Long: 120 East—seeing numbers of

Bullocks on shore we flattered ourselves our distresses were nearly at an end—and that at all events a letter would be conveyed to Canton announcing our Situation—a Mandarine came on board and after having perused the Grand Chop and read an account, written by one of the Chinamen I shipped at Macao, of our misfortunes and how much we were in want of the necessaries of Life—and offer'd to give him a Chop upon you for any sum if he would order us Provisions & water, all this he well understood & declined having anything to do with us, without paying the Dollars down, when we might get everything the place could afford; not having more than one hundred Dollars left, having paid many away since leaving Canton, I informed him so—he left us saying we might have water by supplying ourselves, for he could not send any unless he was paid for it, and as for sending a Letter to Canton he said it was impossible.—We built a small Boat out of some Deal Plank large enough to bring off a Butt of water at a Trip—with her we contrived to water & very fortunately got the rudder on board to see if it wanted any alteration, when we found the Cap split & the rudder almost useless—had we kept the Sea a day longer in the weather we had, in all probability we should have lost the rudder, & as all our Materials were employ'd in making it of course we could not have got another—by the 17th Augt. having made the rudder very secure & filled our Water we ventured to Sea again with the wind at N.E. and on the 20th got off Amoy, here another S.W^{t}erly set in and in turning between the Pescadores & Chappel Island found we lost ground considerably, having carried away our Jury Foretopmast & lost the sail we got a Pilot & on the 25th anchor'd in Amoy Bay & sent an officer to the Mandarine to explain the nature of our visit and to request assistance, likewise to forward a Letter to Canton that another Ship might be sent to conduct us to Macao, all of which he refused saying we had no business there & that we must go away again immediately—the next day a relation of Puankhequa was sent on board who spoke tolerable good English but seem'd to understand little of our Ships, after having learnt that the Ship was loaded with Tea they permitted us to go nearer the Town and to fill our water casks ourselves.

The next day by appointment I had an audience of the Mandarine, who perused the Grand Chop, he told me that unless I had Dollars nothing could be sent on board, that I might send a Letter to Canton on paying 50 Dollars down, but that it would not be sent without the money & that the Ship might remain a Month—he would not hear anything of my giving a Chop on you for the money but laughed at the Proposal—Thus situated without a Prospect of relief from this place having filled our

Water & put the ship to rights on the last day of August left the Bay with the Wind Easterly. The afternoon of that day the Ship struck upon a sand bank not taken notice of in any of the Charts, but providentially she did not stop, nor does she make any more water than she had done since the Gale which is constantly eight inches ℔ Hour to free her from which it fatigues our people very much indeed—Since leaving Amoy the wind has been constantly fair & we have been able to sail sixty & seventy miles ℔ day—it is with pleasure I am able to inform you of our safe arrival in these roads.

I remain with respect

Gen^{tmn} &c, &c.

(Signed) A. Vyvyan.

Ship Canton
Macao roads 7th Sept. 1797.

LIV

THE APPRECIATION OF TEAS, 1798

Mr. Richard Hall (President) and Messrs. George Cuming and Samuel Peach carried on as the Select Committee in the season 1798. The books were opened on May 1st with the following balances:

	Tls.	Tls.
Cr. by Silver in treasury	15,236	
Tea in stock, 11,207 piculs	210,402	
Owed by Shy Kinqua	85,596	
Factory account	21,757	
		332,991
Dr. to Owing to Chinese merchants		3,143,789
Debit Balance		2,810,798

The Company received 16 ships during the season, 5 being dispatched without cargo to Indian ports, and 11 loaded for England. The Company's imports realized: woollens (invoiced £381,407), Tls. 1,204,684; tin (£95,068), Tls. 302,601; lead (£3,230), Tls. 16,761; total, Tls. 1,524,046. The Company imported silver, 467 chests containing 1,628,896 ounces = Tls. 1,321,984 = 1,836,089 dollars. The Committee received into the treasury 2,265,279 old dollars against bills on London at 5*s.* 6*d.* and 365 days; 600,000 head dollars against bills on Bengal, one-third at 39 and 30 days, one-third at 40 and 45 days, one-third at 41 and 60 days; 194,966 head dollars and Tls. 89,647 under engagements for loans and freight made with the Governments of Bombay and Madras; the certificates are not recorded, but are again assumed at 300,000 old dollars; total, Tls. 2,497,576. In the bills issued are included transfers in the treasury granted to Chinese merchants, amounting to Tls. 1,637,506 (= 2,274,314 old dollars), in these being included Tls. 70,686 as the fourth dividend payable by the Hong Merchants to private merchants on account of Shy Kinqua in bankruptcy. The investment by 11 ships was invoiced at Tls. 2,911,251.

The trade particulars were as follows :

	Ships. No.	*Cotton.* Piculs.	*Tea.* Piculs.	*Silk.* Piculs.	*Nankeens.* Pieces.
English { Company	16	39,483	93,771	488	136,300
English { Country	16	144,756	2,284	955	196,000
American	13	..	42,555	61	1,530,000
Swedish	1	..	10,563	..	36,700
Danish	5	1,014	21,832	104	226,000
	51	185,253	171,005	1,608	2,125,000

Of ginseng American ships brought 177 piculs, English 68 piculs ; of fine furs, American ships 102,257, English 19,024; rabbit skins, American none, English 116,220.

Six of the Company's ships left Portsmouth on April 29th under convoy of H.M.S. *Intrepid*, and on September 27th they made the island of Lombock, when in passing through the Straits of Allas the fleet was separated. The *Intrepid* with three ships arrived at Macao on November 22nd. The other three watered at the island of Bali, leaving there October 10th ; passed through the Straits of Macassar, then eastward of Luzon, sighted Formosa on November 22nd, and arrived at Macao on the 25th. It is probable that they had bad weather, since the woollens on the *Walpole* suffered damage to the value of Tls. 14,490, and the *Contractor* (sent to Bombay in ballast) was so severely strained that, even at the time of her dispatch from Whampoa, she was taking in water at the rate of eight inches an hour.

The census of Europeans in China in June 1798, outside the staffs of the national Companies, included :

English : 2 (Mr. Hamilton, Mr. Shank).

Swedish : 1 private.

Danish : Mr. David Reid.

Prussian : Mr. Thomas Beale, Consul ; Mr. Lindley, mechanic.

A few days after the annual migration to Macao of the staffs of the Companies, the Canton authorities tightened the control over the foreign residents.

> The Native Merchants of India and Armenians as also Mr. Lindley have arrived at this place [Macao] having received positive orders from the Hoppo to withdraw themselves from Canton where they had no pretence for residency while there were no Ships under their management.

On the other hand, the English supercargoes found reason to guard against a resumption of permanent residence by unauthorized private persons.

Nov. 27. The Committee having remarked to the Hon'ble Court in their letter of 4th May, 1798, that they suspected some private Persons intended to attempt a residence in China and having since found their Suspicions to be well founded, resolve to make public the 71st Paragraph of the Hon'ble Company's Standing Rules and Instructions to the China SupraCargoes under date the 20th April last.

On May 19th, 1798, a dispatch was received from Bombay under date of February 25th, giving the latest news from Europe.

Our latest accounts from England via Bussora confirm the intelligence of the Negotiations for Peace with the French having been broken off; nor was anything but a vigorous prosecution of Hostilities then foreseen or expected.

On October 3rd the Committee received a dispatch from Fort William informing them that the Earl of Mornington had, on May 18th, assumed the office of Governor-General.

The exchange of the season was settled at 5*s.* 6*d.* per old dollar for bills on London at 365 days after sight. The Danish supercargoes, with cargoes to provide for three Company ships, opened their treasury with an offer of bills payable in London or Copenhagen at 5*s.* 8*d.* and nine months' sight; but, even with this triple advantage,

if any success has attended their publication it has escaped our Knowledge.

The Governor-General authorized the issue of bills on Bengal to a maximum of 15 lakhs of rupees, of which the first third was to be at 39 head dollars and 30 days' sight, the second third at 40 and 45 days, and the third third at 41 and 60 days; the whole amount was taken up eagerly. The rate for Madras engagements was 15 dollars for 10 star pagodas.

The Company sent out from London 467 chests of silver, of which 395 came by the ships and 72 by the convoying ship H.M.S. *Intrepid*; for the latter the commander was paid at Canton 'in lieu of Freight', head dollars 4,250 = old taels 3,000 (nominally = £1,000, but the commander could take 365-day bills for £1,145). In addition to the Company's supply there

was private silver on board the ships; the total is not recorded, but the *Walpole*, which carried 40 chests of the Company's silver, had in addition 8 chests for private individuals.

Europe money issued on arrival was issued by the chest:

1 chest = 3,488 oz. troy = old Tls. 2830·801.

But the silver in stock had been counted over and was now, in practice, counted out and entered in the Company's books and the merchants' books at a fixed rate of exchange.

Nov. 5. Having examined the state of our Treasury we find our present funds amount to counted Dollars 559,125, and Europe Money 120 chests—we therefore determine to advance the Merchants the whole of our Europe Money and 400,000 Dollars of our counted Cash, and to divide these payments in correct proportion to their Balances.

On this basis Puankhequa received:

Head Dollars 96,000	= Old Tls. 67,764·705	Tls. 155,519·536
Europe Money 31 chests	= ,, ,, 87,754·831	

and others in proportion. A calculation will work out the rates of exchange in this simple transaction, and will give an indication of the complexity of dealings with head dollars, old (pillar) dollars, taels of current money, taels of sycee, pounds sterling, current rupees, sicca rupees, Bombay rupees, and star pagodas.

Old dollars had by this time become only a currency of account, the Spanish dollars received being now entirely head dollars; and, having received authority from the Court, the Committee wish to 'abolish in our future Transactions the two ℔ Cent on Head Dollars', and consulted Puankhequa.

As a measure for immediate adoption he considered it as totally inadmissible, observing with great readiness of apprehension, and certainly not without justice, that the very heavy balances of the former Season were incurred under the old System; that at this period no alteration could be made in their purchases of Cotton and other Articles the produce of India, the most of which had been paid for, nor could any proposal of the kind be made to the Country dealers with whom the Merchants had Engagements. As a plan however for future Introduction, he did not at present see any great objections.

With this opinion Mowqua also agreed. The Committee had been authorized by the Court to account for this season's supplies at 1 oz. 2,028 dec. (instead of 1·208) per tael on the

strength of the report[1] of the out-turn of chest No. 26 per *Thames* in 1796, but they felt reluctant to accept a general rate based on a single chest, and decided that, for the rest of the current season, they would issue their Europe money in counted dollars and not by the chest.

Counting is preferable because from its simplicity the meanest Capacity may comprehend it and no reasonable objection can be made to it on the part of the Merchants, because it only falls in with general practice—and further with respect to expense and loss of time no impediments are foreseen from those considerations, as this service will be performed by our Compradore and his Confidential Servants who will consider it as part of the labor for which they are paid—and experience has shewn that we can count from 120 to 150 Thousand Dollars in a morning.

We must note here the first definite reference to the comprador in the sense of chief accountant and cash-keeper. On December 5th it is recorded that head dollars, which were at a discount from the pillar dollar of account, were at a premium over sycee.

The subject in dispute [between the Viceroy and the Hoppo] was the very unaccountable premium that Head Dollars bear over Sizee or pure Silver amounting at times from 5 to 8 ℘ Cent and (extraordinary as it may appear to those who know the distresses of the place) the Tsontoc it seems had listened to and trusted a report that it has been occasioned by a Combination of the Hong Merchants who have amassed heaps of Head Dollars, and made immense profit by so doing and watching the proper opportunity of issuing them at an exorbitant price. The Hoppo on the other hand better acquainted with the real state of the Merchants Finances has treated the whole of this Report as a Calumny.

The Committee carried out their intention of counting over the chests of Europe money, and from 347 chests of the current season obtained an excess of 6,730 head dollars; and from 'several chests of Europe Treasure of the former Season' an excess of 695½ dollars; making Tls. 5,241, which they carried to Profit and Loss. Having again, on January 27, 1799, consulted the Hong Merchants, they stated that they should make no opposition, provided it was not intended to include the balances of the present season.

Tutenague earlier in the century formed part of the homeward

[1] Cf. *antea*, p. 280.

cargoes of ships, being included in the gruff goods which served as ballast; but, though still exported to India by the country ships, it was now never shipped to England. In this season we have two commanders writing to withdraw their previous application to ship each from 50 to 100 tons on the owner's account, as a flooring for the Company's teas,

> as I find from the Price of that Article in Europe it is likely to be attended with a considerable loss.

The Committee proposed to maintain the price of their tin, although it was known that the buyers would lose, and at the same time to increase the price of lead from Tls. 4·50 to Tls. 5; and they prepared a statement showing that, on a balance, the merchants would have a profit of about Tls. 83,146 on the total importation of the season. This calculation was based on the following prices:

			Market Price.	*Duties & Charges.*	*Net Value.*	*Company's Sale Price.*	*Merchants' Profit + Loss —*
			Tls.	Tls.	Tls.	Tls.	Tls.
Broadcloth:	Worsters.	Yd.	1·40	0·20	1·20	0·90	+ 0·30
	Supers.	Yd.	1·90	0·20	1·70	1·40	+ 0·30
	Superfines.	Yd.	2·50	0·20	2·30	2·10	+ 0·20
Camlets (average)		Piece	40·00	10·00	30·00	27·50	+ 2·50
Long Ells		,,	9·00	1·30	7·70	6·70	+ 1·00
Lead		Picul	6·40	0·80	5·60	5·00	+ 0·60
Tin		,,	13·20	2·50	10·70	15·00	— 4·30

The merchants made some demur, but consented to pay the prices on condition that the tin was distributed in the same proportion as the woollens.

We have also a calculation of the value of raw silk, which is of interest:

Raw Silk . . . . . Tls. 288 ℔ Pecul
Tale reckoned at 7·34 shillings
(1 dollar = 5*s.* 6*d.*)

$$133\ 1/3\ \text{lb.})\overline{2113{\cdot}92}(\underset{7{\cdot}34}{16s.}\ \text{℔ lb. or nearly so}$$

London Price Current for Jan'y 1798 Medium, 24*s.* ℔ lb.

Difference, 8*s.* ℔ lb.

or 50 ℔ Cent which it may be presumed will yield a profit after every deduction.

Hitherto we have had tea bought at a standard price for each of several categories:

Black: Bohea, Congo, Congo Compoi, Souchong.
Green: Singlo, Twankay, Hyson Skins, Hyson.
In this season for the first time we have grading for quality.

The Committee proceed to settle the prices of Black Teas with Puankhequa whose Contracts are for Congo 20,000 Chests Souchon 3000 Chests and having determined to appretiate the Characters

Good ordinary Congo	@ 27	and generally to consider a dot —·— above or a dot —·— under as raising or depreciating the Character a Tale,
Good ordinary —·—	,, 28	
Good ord: to but mid: (middling)	,, 29	
But mid:	,, 30	
But mid: to mid:	,, 31	

they settled with him for 28 chops = 19,997 chests at prices within those limits. They then considered the purchase of 5 chops = 3,190 chests which he had surplus, and settled on these terms:

600	chests	Good ord: Congo	@ 23	as	Winter Tea
600	,,	ditto —·—	,,	,,	,,
576	,,	Good ord: Congo	,,	,,	,,
502	,,	ditto —·—	,,	,,	,,
912	,,	Good ord: Congo	,,	,,	,,

but promised that if, contrary to our expectation, there should be occasion to ship them during the present Season, the prices should be reconsidered.

This precision was probably the work of Mr. Arthur, who had been for some years attached to the factory as tea expert.

Opium is referred to in very significant terms in a report to the Governor-General dated December 9, 1798.

In the early part of the Season we heard much of a design of the Chinese Government to prevent the further importation into this Empire of Opium, as a drug pernicious to the Health and Morals of the Chinese, verbally likewise thro' the Merchants it seems a communication of this sort was made to the private Persons who resort here, we are confident however that no Edict has lately been issued, and it seems generally believed that as it produced great fees to the Hoppo who clandestinely encourages this contraband Trade, effectual means are not intended. But as the Fouyuen or Viceroy of this Province is said to have taken a very active part in this business and may perhaps find some favorable opportunity to renew the Subject, we are desirous to guard against any accident by which the Hon'ble Company can be implicated in the charge of illicit Trade. We therefore beg to request that a peremptory order may be issued at the Presidencies to

prevent any Opium in future being taken on board Company's Ships bound to China.

This would seem to dispose of the Imperial Edict of 1796, the issue of which is recorded in all the histories of that period.

The usual statement of the credit required for each merchant was drawn up on November 1st with the following figures, the last column showing the amount of transfers in the treasury granted to each :

	Balance. Tls.	*Estimated Contracts.* Tls.	*Total Liability.* Tls.	*Europe Imports.* Tls.	*Credit required.* Tls.	*Transfers in Treasury.* Tls.
Puankhequa	806,506	564,942	1,371,448	320,000	1,051,448	130,987
Mowqua & Munqua	247,730	643,204	890,934	445,343*	445,591	329,197
Puiqua . .	572,722	399,627	972,349	240,000	732,349	285,838
Yanqua . .	575,592	275,738	851,330	160,000	691,330	220,192
Ponqua . .	65,712	122,209	187,921	80,000	107,921	58,089
Chunqua .	416,401	245,418	661,819	160,000	501,819	309,669
Gnewqua .	144,550	122,214	266,764	80,000	186,764	144,520
Conseequa .	314,567	122,209	436,776	80,000	356,776	159,014
Total . .	3,143,780	2,495,561	5,639,341	1,565,343	4,073,998	1,637,506

* Including Tls. 172,543 engaged to be advanced for Munqua.

We have an illustration in this season of the care constantly exercised by the Court of Directors and the Company's agents in the East to further the interests of the commanders of the chartered ships. The Bombay Presidency was instructed to dispatch three country ships to Canton to load teas for England ; and, in order to supply the Canton treasury with funds, they were to carry cotton to Canton, on Company account, or on private account with the usual engagement to pay the proceeds into the treasury there ; and tonnage was allotted to two English country firms.

It was first stipulated & understood that the Company were to embark on these Ships 2,000 Bales of Cotton on their own Account & Risk. Of the Residuary Tonnage one third was reserved for the benefit of the Commanders and the remaining two thirds let out in equal proportion to the above named Houses. . . . These terms we accordingly communicated to the Commanders of the Indiamen . . . but finding after a full & deliberate discussion of these conditions that they bore hard and must materially operate to the prejudice and diminution of those advantages which we have every reason to believe the Court of Directors have every desire to indulge these officers with

to a fair & reasonable extent we were induced to modify our first tender by holding out to their acceptance the above mentioned 2,000 Bales of Company's Cotton, on condition of their paying into the Canton Treasury the prime Cost and Charges thereof together with Interest to the day of payment and instead of compelling an immediate freight upon this quantity or upon their residuary third of the Tonnage, the final recovery or remission of this Freight Charge should be submitted to the Court of Directors.

The Bombay Council's Superintendent estimated the total capacity of the three ships to be 10,000 bales, each of (400 lb. or) half of a Surat candy, 'besides what may be carried by the Commanders and Officers in their priviledged Tonnage'. Each of the three commanders had then

1° his privilege, amount not recorded, between 30 and 99 tons measurement, or 70 to 250 bales freight-free;

2° his third of 2,000 bales on credit, to be paid for on arrival at Canton, freight possibly remitted;

3° tonnage to load his third of 2,667 bales, the cotton at his cost and risk, freight payable at 15 rupees a bale.

Another concession granted for the homeward voyage was one made nominally to the owners, but doubtless profitable also to the commanders—that of ballast and dunnage for the Company's teas. The tutenague referred to above was for this purpose; and, on December 3rd, two captains obtained 'permission to ship from fifty to one hundred Tons of Allum, Turmerick and Ganyes on account of the Owners as Ballast and Dunnage for the Hon'ble Company's Cargo'.

The Committee had trouble as usual over ships without cargo, and this was disappointing because, on December 2nd,

the *Barwell*, tho' we are not apprized of her bringing any other Cargo than Wood, was furnished with a Pilot at Macao, and suffered to proceed up the River without interruption.

This indulgence was attributed by the Committee to representations made a month earlier to the Hoppo that ships delayed in Macao Roads might be in danger of attack by French frigates. On that same day they had applied for the Grand Chop of the *Caledonian*, one of five ships with cargo from England, but ordered to Fort William and Fort St. George without taking a lading at Canton. The Hoppo was alarmed at the prospect of so serious a reduction in the duties from tea, and deferred his

consent; the Viceroy, disquieted by the high premium on dollars, made himself disagreeable in all directions; and the Committee addressed a memorial to the Hoppo representing that they had strict orders to dispatch the ships without cargo to India, but that the captains and officers would ship their usual quantities in private trade. It was known to the Chinese that all five ships carried 'military stores', shipped at London and destined for India; and the Hoppo hinted to Puankhequa that his difficulty would be removed if the Committee would declare the ships to be ships of war. This they refused to do; but at a conference with Puankhequa on December 13th,

after a short discussion of the qualifying terms in which the alteration in our original Letter to the Hoppo of the 5th instant was now proposed, it was readily agreed that after the words 'to the Presidencies in India' should be introduced 'where they are wanted for purposes connected with our present War'.

With this alteration the Hoppo on the 16th expressed his intention of issuing the Grand Chop for the five ships; but the Viceroy delayed giving his consent—even on January 1st

declining to give his final answer until he was ascertained of the precise time when it was our intention to dispatch the fleet.

Finally the Grand Chop was issued late on January 2nd, and the ships were dispatched at noon of the 3rd.

The homeward-bound fleet of eleven ships for London was at Second Bar at the end of January, 1799, nearly ready for dispatch under convoy of H.M. ships *Intrepid*, *Virginie*, and *Arrogant*, of which the *Intrepid* had a crew of 500 men. On the 27th news was sent from Macao that

six sail of Ships are seen coming from the Eastward, the *Virginie* has got under weigh and [is] standing out to the assistance of the *Arrogant* and *Intrepid*, no doubt they are Enemys as Mr. Gordon informs me he left the 2nd Bar at 4 O'clock this morning and the fleet of Indiamen was then laying moored there. . . . It is certain it is the Spanish and French fleet. . . . The *Intrepid* was obliged to cut off her two Anchors and throw in the water two of her Jolly boats, as did the *Arrogant* and the *Virginie*, all of them lost their Anchors and Boats . . . they are engaging outside in a most severe manner.

The six enemy ships included three Spanish line-of-battle ships and one Spanish and two French frigates. The Committee sent

orders to the fleet of eleven Indiamen, directing the commanders to be prepared to resist any attack which might be made; and sent a message to the Hoppo, so that the Chinese authorities might take steps to defend the neutrality of the port. The Hoppo went in person to the Tsontoc, who at once dispatched 500 soldiers to the Bogue forts—which a frigate could easily have knocked to pieces. Between the fleets there was a brief indecisive game of long bowls, after which the enemy ships anchored at the Grand Ladrone and the three English frigates occupied a watching position at Lark's Bay; by January 31st the Spanish and French had disappeared below the horizon, and the English ships moved forward to the Taipa anchorage.

The senior officer, Captain William Hargood of the *Intrepid*, then began to bombard the Committee with urgent appeals to get the fleet of Indiamen away without any delay, in order that the convoy might make its way south with the strong north-east monsoon before the enemy should return; but the Committee decided by a majority vote, the President dissenting, that it was their duty to have the bills of lading signed, their reports to the Court of Directors and the Secret Committee written, and their secret sailing orders communicated to the commanders, before dispatching the ships. These duties were completed on February 4th, and the fleet sailed without further incident.

LV

OPIUM PROHIBITED; THE *PROVIDENCE* AFFAIR; 1799

THE Select Committee for the season 1799 consisted at first of Mr. Richard Hall (President) and Messrs. Samuel Peach and Francis Turnly; from March 6, 1800, were added Messrs. James Drummond and George Sparkes. The books were opened on February 2, 1799, with the following balances:

	Tls.	Tls.
Cr. by Silver in treasury	96,200	
Tea in stock, 16,027 piculs	328,420	
Shy Kinqua's debt	57,064	
Factory account	25,239	
		506,923
Dr. to owed to Chinese Merchants		1,108,158
Debit Balance		601,235

The Company had at Canton this season 15 ships of 17,866 tons chartered tonnage; of these one arrived so late (measured May 10th) that she fell into the transactions of the next season. The import cargoes realized: woollens (invoiced at £780,227), Tls. 2,080,550; tin (£63,573), Tls. 198,044; lead, Tls. 103,738; total English products, Tls. 2,382,332; Eastern products on Company's account, Tls. 162,817. The lead included quantities bought in Bombay to stiffen the ships laden with cotton, and sold at Canton for Tls. 58,672. In the Eastern products was a cargo of spices shipped by the Company's agent at Amboyna, invoiced at 2,076 dollars, realized 82,146 dollars—fortyfold the prime cost, an indication of the profits of the Dutch trade in the Spice Islands.

The ships brought silver (invoiced at 5*s.* 1¾*d.* per oz.), 560 chests containing 1,953,280 oz. = Tls. 1,616,954 = 2,245,770 old dollars. To this is to be added Tls. 6,217 (making a total value of Tls. 1,623,171) 'credited Profit & Loss for gain by

counting 560 Chests of Europe Treasure received this Season'; but there is a deduction of Tls. 3 'debited Profit & Loss for 4½ Copper Dollars found among the Silver of the present Year'. In addition each direct ship brought licensed private silver, but the amount is not recorded.

The treasury received for bills on London at 5*s.* 6*d.* and 365 days 1,575,302 old dollars; for bills on Bengal 938,314 old dollars; under engagements with the Governments of Bombay and Madras 61,237 taels, 10,135 old dollars, and 433,956 head dollars; certificates 115,127 old dollars; freight from Indian ports 10,211 taels and 27,479 old dollars; making a total of Tls. 2,297,424. The transfers in the treasury, covered by London bills, amounted to Tls. 966,714. The homeward investment by 14 ships was invoiced at Tls. 4,016,113.

The trade of Canton in the season was as follows:

		Ships. No.	*Cotton.* Piculs.	*Tea.* Piculs.	*Silk.* Piculs.	*Nankeen.* Pieces.
English	Company	15	63,709	157,526	871	180,000
	Country	15	64,122	4,023	111	170,000
American		18	..	42,488	..	735,000
Swedish		1	..	3,336	..	..
Danish		3	..	8,492	152	75,000
		52	127,831	215,865	1,134	1,160,000

Of ginseng the English ships brought 89 piculs, the American 532 piculs. Of fine furs American ships brought 35,234, English ships 20,708; of rabbit skins, the English ships 77,678. The dispatches of Portuguese shipping from Macao, generally of small size, from November, 1798, to July, 1799, were 3 to Manila, 6 to Indian ports, 9 to Cochin China, 3 to Borneo and Timor, total 21.

The census of European residents at Macao on March 6th, between seasons, was as follows:

English: 6 supercargoes, 4 writers, 1 surgeon, 2 servants.
Mr. David Reid, Captain in King of Denmark's service.
Mr. Thomas Beale, Prussian Consul.
Mr. James Lindley, mechanic in Mr. Beale's employ.
Mr. Alex Shank, Mr. Robert Berry } private merchants.
Dutch: 10 supercargoes, writers, surgeon and steward.

Swedish : 2 supercargoes.
Spanish : 3 supercargoes.
American : Mr. Samuel Snow, Consul.
Mr. Oliver, merchant.

In the following August (1799) Mr. Snow, who also engaged in mercantile transactions, and who had come in an American ship of the previous season,

waited upon Mr. Hall and shewed him his Credentials signed by Mr. John Adams the President to Congress in May 1798 appointing him Consul to the United States of America at the Port of Canton and places adjacent and has since notified his appointment thro' the Merchants to the Hoppo requesting permission to hoist the flag of his Nation which was granted without hesitation. The Hoppo however declined any other than verbal intercourse on the Subject.

At the other end of the Empire the aged ex-Emperor Kienlung died on February 7, 1799, three years after his abdication. Within three days the reigning Emperor degraded and executed the first Minister of State, who had received Lord Macartney. His estates were confiscated, and in the official inventories this official of humble origin was reported to the throne as having property to the value of not less than three hundred million pounds sterling.[1] Such were the rewards of office in China in the days when the East India Company traded there.

The Committee allotted the woollens of the season at the following prices :

Broadcloth per yard, Superfines Tls. 2·10, Supers Tls. 1·50, Worsters Tls. 1·00, Long Ells, Tls. 7 per piece.

Camlets per piece, 2nd quality Tls. 27, 3rd quality Tls. 24. Their lead they sold in advance at Tls. 5, and the tin at Tls. 15, a picul, distributing both in the same proportions as the woollens ; and the same proportion was observed in making the winter contracts for teas. The cotton imported, 127,831 piculs, mostly on private accounts, realized about Tls. 1,700,000 ; and sandal-wood from India, 6,565 piculs, two-thirds on the Company's account, realized Tls. 148,985.

Owing to the influx of silver in the direct ships, it was necessary to accept fewer transfers than in the previous season, their amount being Tls. 720,014 in a total of Tls. 1,134,217 for bills

[1] Bland and Backhouse, *Annals and Memoirs of the Court of Peking*, p. 364.

on London. The Swedish Company offered bills payable in London at 5*s.* 8*d.* and 12 months, but were not very successful in obtaining funds. At the close of their season, on April 5, 1799, the Danish Company paid in 35,000 dollars for bills on the English Company in London. In this season, for the first time as it would appear, the Swedish supercargoes were 'absolutely interdicted from allowing any Foreign Letters to be sent to Europe on their Ships'.

Head dollars were this season substituted for old dollars as the currency of the Company in its transactions, but at the same rate of exchange, 100 dollars = 72 taels current silver; the change applied only to new accounts, those brought over from the previous season being liquidated on the former basis, 100 head dollars = 98 old dollars. Public notification to this effect was made on July 10, 1799. The immediate result was a natural stiffening of prices against the Committee: Mowqua wrote on August 4th,

> renewing his offer to contract for Raw Silk at 270 Tls. ℔ Pecul ready Money and declaring that having considered the subject in the minutest manner, he could accede to no abatement, the reduction of 2 ℔ Cent on 270 Tales making a difference to him of above 5 Tales ℔ Pecul.

There is, for the first time in the records, evidence that the practice of 'chopping' dollars was already universal at Canton.[1] In sending to Amboyna a sum of forty thousand dollars in specie, it is noted that

> we apprehend difficulty in procuring even this Sum at Macao of Dollars that have not been chopped or otherwise mutilated, which alone are said to be current among the Eastern Islands.

The Governor-General had sanctioned drawing on Bengal to the extent of 15 lakhs of current rupees—5 lakhs at 39 dollars ℔ 100 current rupees, 5 at 40, and 5 at 41; and for these bills 600,000 dollars were received into the Canton treasury. By later instructions Lord Mornington ordered that all the specie sent from England to Canton was to be sent to India at once, to provide funds for prosecuting the war against Tippoo, and for protecting India from attacks by General Bonaparte, whose forces then occupied Egypt; but the defeat of Tippoo and the

[1] Cf. *antea*, p. 8.

capture of Seringapatam enabled the Governor-General to cancel this order by a further instruction, dated August 26, 1799, received February 13, 1800 :

Since the despatch of our Letters dated 2nd March and 14 June last we have received from Mr. Drummond information of a later date than we possessed at that time respecting the state of your Finances which induces us to think that the execution of our Orders for sending to India the whole of the remittances in Specie intended by the Honorable Court of Directors for the China Investment may be inconvenient for the Affairs of the Company to China. Since the date of these Orders so material a change has been effected in the state of the public Finances in India and in the whole system of public Affairs as to supersede the necessity which existed at that period for appropriating the Specie intended for China to the purposes of the Governments in India. Under these circumstances we deem it expedient to rescind those Orders, and to authorize you to retain the whole of the remittances in Specie for the China Investment.

Some portion of the remittances to Bengal came from the proceeds of the sale of opium brought to Macao in country ships, English or Portuguese. On a proposal to open the treasury for the issue of bills prior to the Committee's return to Canton, Mr. Hall stated in support of it that

Macao affording a vent to nearly half the quantity of Opium this Year manufactured by the Company's servants, seemed to lay some claim to our attention ; and having seen in the public prints that the Government General published this remittance at an early period of the Season and immediately preceding the 1st Opium Sales which bore much the appearance of its being held out as an Encouragement to the Buyers he could not but feel the delicacy of any impediment on our part that might at all weaken the public Faith in a Government Advertisement.

On October 29th following Mr. Gregory M. Baboom wrote to the Committee proposing a monopoly of the sale of the Company's opium, making no reference to the Malwa or Persian product. He offered to contract for the whole of the opium manufactured in the provinces of Bengal, and to purchase the whole output, which was fixed by him at a maximum of 4,500 chests a year, at 550 sicca rupees a chest, paying the purchase money into the Canton treasury at the exchange of 43 dollars for 100 rupees ; and he proposed that the contract should be for three years. The proposal was passed on to the Governor-General without any

recommendation, and nothing came of it; but the figures are interesting as showing that Macao, then the only market for opium in China, provided an outlet for about 2,000 chests of Bengal opium, besides whatever supplies of Malwa and Persian drug might come from Daman and Diu. It was now for the first time, so far as the knowledge of the supercargoes could show, that active steps were taken to suppress the opium trade; and in their season's report to the Court of Directors, dated January 3, 1800, they wrote as follows:

In our Correspondence of last Season, under date the 9th December, (1798) we noticed to the Rt. Hon'ble the Governor General of Bengal an apparent design of the Chinese Government to prevent the future Importation of Opium into this Empire nevertheless the Trade in that Article has continued to be carried on at Macao without any unusual impediments and with great profit to those engaged in it. At that time we were confident no Edict had been issued and it was generally believed that as it produced great fees to the Hoppo who clandestinely encourages this clandestine trade, effectual means were not intended. Nevertheless being desirous to guard against every accident by which the Hon'ble Company could in any manner be implicated in the charge of illicit trade [we] requested that a peremptory order might be issued at the Presidencies to forbid any Opium in future being taken on board Company's Ships bound to China. Early in the last month a Chop was addressed to the Hoppo by the Fouyuen detailing at great length the pernicious and fatal consequences attending the use of this drug and calling upon him in strong terms to prevent its future Importation. In consequence the Hoppo issued a similar Chop to the Hong Merchants forbidding them to trade in Opium or secure Ships that may import it and denouncing Vengeance [on] all transgressors of these orders, and the latter have communicated the same to the Europeans at this place. As far as we can learn these Steps have occasioned no kind of Alarm to the Chinese who conduct the Opium business and as the present Fouyuen is not thought to be a Magistrate of the purest integrity it is not certain were an opportunity to present itself that he might not employ it in a manner seriously prejudicial to the Hong Merchants. We have therefore repeated our desire to the Governments in India respecting the interdiction to the Commanders and Officers of the Hon'ble Company's Ships and we submit to the Hon'ble Court whether it may not be proper to attach some Penalty to the Importation of Turkey Opium which has sometimes found its way (tho' in small quantities) directly from England to this Quarter.

The prohibition of carriage of opium on any of the ships in the service of the Company had been in force continuously since

1733.[1] It had been always included in the sailing orders given to ships dispatched to China from Indian ports; and, in dispatching three ships from Bombay, the Governor and Council under date October 22, 1799, directed the senior commander:

> You must take the most particular care that no Opium is laden on board your Ship by yourself Officers or any other Persons as the importation of that Article at China is positively forbid and very serious consequences may attend your neglect of this injunction.

In addition to their private trade (99 tons in ships of the size now customary, 1,200 tons chartered tonnage) commanders were allowed to dunnage their ships to the extent of 2½ per cent. of the chartered tonnage. Among commodities so loaded in this season were included mother-of-pearl, turmeric, galangal, china-root, sugar, sago, bamboos, rattans, whangees, &c.

The House of Agency earned fees amounting to 10,387 dollars. Writers, who in the seventeenth century had a salary of £10 a year, in the middle of the eighteenth century £100 a year, now at the end of five years' service are entitled to £800 a year. One of the junior writers was Mr. George Thomas Staunton, who arrived at Canton on January 13, 1800. He had accompanied his father as page in Lord Macartney's Embassy in 1793; on the long voyage of nine months to China he had acquired from the interpreters attached to the Embassy a satisfactory knowledge of the Chinese language, so adequate that he was honoured with a personal conversation with the Emperor; and now he entered as writer, placing his knowledge of Chinese at the service of the Company. On many occasions in this, his first, season he was very useful in acting as interpreter and in giving to the Committee faithful and idiomatic translations of official documents.

In June, 1799, six English sailors who had deserted from an American ship while off the coast of Fukien were returned by the Foochow Viceroy through the Canton Viceroy to the English Committee, having been maintained by the Chinese authorities and well supplied for 120 days. The Committee wrote to the Viceroy on June 20th, expressing their gratitude:

> We hasten therefore to return our sincerest acknowledgements for the relief and kindness these our Countrymen have experienced of which we shall not fail to transmit a particular account to England

[1] Cf. vol. i, p. 215. Hoppo's Edict of Dec. 2, 1799, in Appendix M.

for the information of our King and we entreat that your Excellency in your despatches to Court will make known to his Imperial Majesty the grateful Sense with which we are impressed.

This Viceroy, even after some exciting political disagreements, showed a very friendly disposition to the English. In January, 1800, after the settlement of a serious affray, which is described below,

Mowqua, the Security Merchant of the *Carnatic,* waited on the President with two small embroidered purses, such as are usually worn by the Chinese, which the Tsontoc desired might be presented to Captain Jackson as a mark of his approbation of his Conduct in securing the Seaman who beat the Chinese Boatman on the 14th ult.

On February 10th a serious fire broke out in the apartment of one of the English writers, and the next day early

the Tsontoc sent a Mandarin of his Household with a very polite message expressive of his concern at the accident which ocurred yesterday Evening and to assure him that upon the very first intimation he received of the danger to which the Company's property was exposed he had ordered his Palankeen to be held in readiness and would have repaired in person to the Spot, had the fire extended or his presence been deemed at all necessary to prevent any evil minded persons from taking advantage of the Confusion to plunder and carry off the Hon'ble Company's property, nor was he deterred from putting his design in execution but by the repeated assurances of a confidential Mandarin (whom he had sent on the first notice of the accident to watch the progress of the Fire and report to him should there appear any danger of its spreading) that it was entirely subdued.

At a still later date, on April 9th, after the end of a long discussion regarding the case of the *Providence*, the Viceroy had occasion to refuse to sanction the employment of teachers for study of the Chinese language; but

in the course of the Conversation the Mandarin observed in the name of the Viceroy, that however obliged in some instances to refuse the requests of the English Chief, he nevertheless highly approved and confided in the propriety which he noticed in his Conduct, and should find with much satisfaction the persons who might hereafter fill the same situation, equally entitled to his approbation.

This attitude of the Viceroy is the more significant in the light of the apparently hostile attitude which his position compelled him to assume in the intervening months.

The Hoppo of this season was of a quite different disposition. In the mandarindom of the Empire Manchus (as also Chinese) were appointed to high office in order that, in the first place, they might enrich themselves, and that then, from their surplus, they might subsidize the Court and the ministers of the metropolitan administration. The Hoppo, always a Manchu, was not a freeman, but was of the Boyi class—hereditary bondmen to the ruling family. His first duty was to shower gifts on the Court and the Palace officials, after which he might accumulate a surplus—never small—for his personal enrichment. Always inexperienced in administration, and the slave of an always greedy Court—since the accession of Kiaking also a venal and licentious Court—he was naturally timid when confronted with any problem other than one connected with the receipt of money. On October 30, 1799, the ship *Taunton Castle*, on her way up to Whampoa, went aground on Second Bar; as she was deeply laden, her commander asked that Chop boats might be sent at once to lighten her so that she might get off on the spring tides. The Security Merchant was sent into the city to make a personal application to the Hoppo, then newly arrived.

At 9 O'clock at night Puiqua returned from the City and brought a peremptory denial of the Hoppo to grant permission for boats to be sent to assist the *Taunton Castle* and treated the report as idle & wanting confirmation.

On November 1st a written explanation was sent to the Hoppo. Meantime the ship was got afloat again, but still could not cross the Second Bar; but

late in the Evening Puiqua waited on Mr. Hall to tell him he had been as unsuccessful as the preceding day in moving the Hoppo tho' he had called in to his assistance all the other Merchants. As the *Taunton Castle* is out of danger the Hoppo's Conduct is not in this instance of further consequence than as it is an unfavourable presage of what we may in future expect from him in every Embarrassment—indeed it may not be improper here to remark that he is in general considered as mean in his Capacity and ill favored in his temper and disposition.

On February 13, 1800, the *Alfred* got aground at Second Bar. The Hoppo was at once asked for the necessary permits, and the senior commander, Captain Wordsworth, was instructed to give all possible assistance

Captain Wordsworth informed Mr. Hall that all the Long Boats of the Fleet have been sent to the relief of the *Alfred* and that every other assistance which it was possible to afford her was sent from our Ships on the first notice of the Situation.

It is with regret that we must observe that the Hoppo has not shewn himself more alert or ready on the present occasion than he did early in the Season when the *Taunton Castle* was in a similar situation. He has not yet despatched a single Chop Boat to her relief.

The long-boats were of good size; in this season it is recorded that, in addition to their full crew and an armed guard, they carried each 35 chests containing 10,000 lb. of silver; and by their aid all the guns and 30 tons of iron kentledge were taken out of the ship, by which means she was floated off. In another matter the present Hoppo only continued the practice of his predecessors. All Customs stations in the province of Kwang-tung were under his control, including that at Macao; and a reduction in the duties levied on the annual migration to and from Macao was the one tangible result which, the Committee flattered themselves, had been secured by the Macartney Embassy.[1]

April 9. Mr. Hall then took the opportunity of repeating a request that had been formerly made respecting certain Duties levied on the Factory upon their proceeding to or returning from Macao, which in the latter case were levied at Macao, and in the most exorbitant manner.

It does not appear that any amelioration in the practice was obtained.

The sailors of that age, by the testimony of all contemporary writers, were a riotous race, filled with the joy of living, as expressed by wine, women, and song. The English sailors at Canton, even after the pick of them had been pressed by the King's ships, were a fine body of men, inspired with patriotic fire; but, coming from a long voyage with restricted opportunities for getting on shore, they seized every chance of filling up with the samshu of the country, which more than other alcoholic drink was calculated to overcome their discretion; and against the French, Spanish, and Dutch enemies of their country they were ready at all times to manifest their hostility.

At 5 p.m. of December 13th (1799) a large party of English Sailors at Canton on liberty proceeded to the Spanish Factory and in an

[1] Cf. *antea*, p. 208.

insulting manner pulled down the Spanish Flag and tore it to pieces after which they went to the Dutch Factory and treated the Flag of that Nation with the same indignity. Tho' the men were doubtless inflamed with Liquor the outrage was not committed without some appearance of a concerted Plan as they were headed by a Man who regulated their Proceedings with a Boatswain's Call.

The two Councils whose flags had been thus insulted addressed a formal complaint to the English Committee, who at once expressed their deep regret and offered to give new flags for those destroyed, but refused to give a factitious importance to the occurrence by hoisting them by the hands of the commanders of the two English ships concerned. In the end the reparation so offered was accepted. In reporting the occurrence the Committee begged the Court to

bear in their remembrance that the Scenes of which we now complain are disgraceful in the eyes of the Chinese, embarrassing to the Company's Interests and to their Servants, and highly offensive to all descriptions of Persons who witness them ;

and they suggested that the granting of liberty to the sailors should be still further restricted.

Under such conditions, with an enlightened Viceroy, an obscurantist Hoppo, and a body of over two thousand disorderly sailors (among them not being included the crews of the King's ships), the Committee were confronted with a situation in which three elements were mingled : the status of King's ships and the question of facilities to be accorded to them ; the admitted wounding of one Chinese, and the alleged drowning of another, by English sailors ; and a disclaimer by the Committee of authority over, or control of, King's ships.

Admiral Rainier in January, 1799, expressed to Lord Mornington, the Governor-General, his doubt whether he could provide a convoy for the China ships, in view of the military situation in India and in Egypt ; but the receipt of reassuring news from Egypt, an improvement in the situation in India, and reports of the fleet action outside Canton on January 27, 1799, combined to induce him to change his intention ; and this change was confirmed by later reports that Spanish ships-of-war were cruising off Macao through May and June with hostile intentions against the English Indiamen. He accordingly detached the

Impérieuse (flagship), the *Trident* (64 guns), and the *Diomede* (50 guns), under Captain Josias Rowley as senior officer, to convoy as far as the Cape of Good Hope the next fleet of homeward-bound ships. Captain Rowley arrived at Anson's Bay (Chuenpi) on October 31st, and reported that the *Impérieuse* had 'lost her Foremast, Mizenmast, Bowsprit and Rudder in the late gales, and otherwise suffered damage'; he also brought a letter from Admiral Rainier to the Viceroy requesting the general grant to the King's ships of facilities for repairing, refitting, and provisioning them; and he requested the Committee to transmit the letter and to obtain permission for the *Impérieuse* to proceed inside the Bogue for convenience of refitting.

The Hong Merchants, on being consulted, expressed their dismay at learning that the letter was not addressed to the Viceroy and the Hoppo conjointly, since some resentment would be felt by the latter, who was expressly charged with control over all foreign shipping. Mr. Hall declined to allow the address to be altered; but the merchants must have added the Hoppo in the Chinese version, since on November 8th Mr. Hall was visited by two mandarins, deputed by the Viceroy and the Hoppo respectively to give a verbal answer to the petitions. The decision was that the King's ships might be supplied with provisions, to be sent from Canton every twenty, fifteen, or ten days: that they might lie in a secure anchorage, but not less than fifteen to twenty miles outside the Bogue; and that they must not, in any anchorage, be within sight of an imperial fort. The restrictions were protested against, and on a second visit the Committee were informed that fresh provisions might be sent every two or three days; but on the question of an anchorage, the only concession made was that the *Impérieuse* might remain in Anson's Bay for a period of ten days; the deputies declared that a verbal answer was 'more conformable with the Customs of the Country and less liable to be misunderstood' than the written reply for which Captain Rowley asked; and they 'repeated their request that the *Providence* schooner might not again enter the River', as she had in the previous season. Two weeks later, on November 23rd, the Viceroy expressed to the Hong Merchants his anger, which had been excited by complaints from the officer in command at the Bogue,

that the ships showed no sign of moving from the vicinity of the forts. The Viceroy had already conceded a stay of 25 days for the *Imperieuse*, and on December 4th he demanded to be informed why she had not moved and threatened to stop the trade—a threat which Mr. Hall treated lightly, but which the Chinese merchants considered very serious. He was pacified, however, and the *Impérieuse* was ready before the end of December to escort the three Indiamen which were dispatched on January 2, 1800. It may be stated that throughout these proceedings Captain Rowley was very conciliatory, and showed little inclination to urge the Committee to demand more than was likely to be conceded.

On January 13th Captain John Dilkes reported his arrival at Macao in H.M. ship *Madras* convoying the first of the direct ships, and carrying on his own ship 95 chests of the Company's treasure; he informed the Committee that

> Until I have received answer to the Letter I have written to the Viceroy for permission to go to the Second Bar, I shall be at the anchorage at Lingting [Lintin].

He enclosed the letter sealed; and the Committee informed him that they could not undertake to transmit a closed letter, the contents of which they could not enter in their records. In the light of their knowledge of the Viceroy's attitude in regard to the King's ships, they thought it proper to send him a copy of the Viceroy's recent edict imposing restrictions on such ships; and they begged the favour of a reply. Captain Dilkes's reply was pithy and characteristic of his attitude during the whole of the events which followed:

> I have just received your Letter with the Chinese Edict, which I had not seen before; I will not put it to the risk that Ships shall be debar'd this road [Lintin] for any Letter or other act of mine, I therefore request my Letter to the Viceroy may be returned to me altho' I had rather it had originally been delivered. When I see more I possibly may alter my opinion, but at present it strikes me very strongly that their manners will never be mended until the present impulse of fear changes sides; tho' in fact theirs is only bullying. As soon as the Long Boats arrive I shall send the Treasure with a guard of a Serjeant, Corporal and six Marines. The Schooner shall conduct them to the Bocca.

The schooner was the *Providence*, which had been bought to

serve as tender to the ships-of-war, and as a scout to cruise in order to detect the presence of enemy ships. On January 26th

John Dilkes Esq. Captain of H.M.S. *Madras* arrived at the Factory and from him we understand that the weather being very threatening he had removed the treasure brought on the *Madras* and which had been previously put [at Lintin] on board the Long Boats of the *Abergavenny*, *Duke of Buccleugh* and *Hindostan*, into H.M. Schooner *Providence* in charge of Lieut. Mayo who had conveyed it to Whampoa to be again shipped on board the Long Boats when they could come up from the Bogue.

The three long-boats arrived at the factory, one with 35 chests on the 26th, one with 31 chests on the 27th, one with 29 chests on the 28th. The *Providence* returned to Lintin, but on February 11th was again at Whampoa:

has again been sent up from Lintin to Whampoa for the convenience of some of the Officers of H.M. Ship *Madras*—and, while lying there, between 11 and 12 O'clock at night a boat appeared immediately under the Schooner's bows which tho' hailed three times distinctly obstinately persisted to remain in that suspicious Situation and refused to make any reply. The Officer upon duty finding his endeavors to procure an answer ineffectual and being convinced from their near approach that they came with an intention of cutting the Cable, fired a Musquet Shot into the Boat by which measure one of the Chinese was unfortunately shot thro' the body. He was the more particularly prompted to this act from the danger which the *Providence* had already experienced from having her Cable cut three several times previous to this attempt and which it was very evident there was at present a design to repeat. The Chinese immediately made for the Shore which however they could not reach before they were overtaken by the Schooner's Boat in which the wounded Man was conveyed on board and at an early hour in the morning sent to the [*Earl of*] *Abergavenny* where his Wound was dressed by the Surgeon and he was soon after carried on Shore. [The accident seemed unlikely to have fatal results and] Mr. Hall suggested to Lieut. Mayo that it would be a prudent Measure to desire the *Abergavenny's* Compradore to make some trifling Present to the wounded Man and perhaps to his nearest Relations should they seem inclined to lodge any Complaint with the Mandarines on the Subject.

The President was concerned to keep the King's schooner *Providence* out of the affair, and to head off the intervention of the authorities; and he authorised the comprador of the Company's factory to go up to one or two hundred dollars to settle the matter of the wounded man out of court. He was the more inclined to this course, because on the morning of the 13th Lieut. Mayo informed him that he was apprehensive

the affair which had occurred at Whampoa wore a more unfavorable Aspect than he had at first imagined. The Compradore had informed him that the Man reported to have been shot thro' the body was not the only sufferer for that another had also been wounded and that the former had since died in consequence of his Wound.

This report proved false ; but one man jumped overboard from the boat, and later on it was charged that he had not again been seen, and alleged that he had been drowned. Before this, however, Lieut. Mayo wrote from the *Providence*, anchored at First Bar :

I have made the most minute enquiry into the unfortunate accident, understand by those that had the Watch upon Deck that several Boats had been hovering round the Vessel and near the Cable, the night was dark, thick and rainy, a Pistol with a blank Cartridge was fired every hour and one boat was fired at with a blank Cartridge who came very near the Cable, this was 11 o'clock, and ½ past 11 a boat came across the Bows with only one Scull very slowly, at that time all was still upon Deck, but upon the boat coming across our Cable close under the Bows, so close as not to be able to clear it and to prevent the Officer on Deck seeing what they might be doing on the off side of the Boat the Officer on Deck fired at the Boat at which time he only saw one Man at the Scull, but on boarding her in the boat found five Men concealed in her Bottom one of whom immediately jumped overboard and swam on Shore.

The wounded man had then, on the 14th, been taken back to the *Providence*, but continued to be treated by the surgeon of the *Earl of Abergavenny*. For a short time the attempts to compromise the affair were in the hands of Chunqua, Security for the *Earl of Abergavenny*, a Company's ship. As no steps had been heard of implicating the *Providence*, she sailed on the 17th to carry the officers back to the *Madras* at Lintin. The next day Chunqua informed Mr. Hall that a petition had been handed to the Punyü Hien, in which the petitioner charged the *Earl of Abergavenny* with having wounded one of his crew, and having caused another through fear to jump overboard ; that the latter had not again been seen ; and he requested the Hien to institute an inquiry. The Committee were now compelled to deny categorically that any of the Company's ships were implicated ; and they drew up a memorandum for the Viceroy, in which they gave a detailed account of what was positively known of the events of February 11th, declared that three previous attempts

to cut the schooner's cable had been detected and frustrated, and recorded that

the Officer in Command of H.M. Schooner has ascertained the Fact that one Strand of his Cable was cut through, which besides affording every reasonable proof of the attempt, shews likewise how near the danger was of H.M. Schooner being sent adrift the serious consequence of which in bad weather and in a difficult Navigation must be apparent.

They further intimated that this was 'an occasion that did not take place on any Ship under our Management'.

The Viceroy replied through the merchants that he was disposed to allow full weight for the suspicious conduct of the boatmen, but that he could not fully adjudicate on the affair until both accuser and accused were brought before a court of inquiry.

At the same time he added that the English might rely upon the strictest impartiality being shown on the occasion, as well as upon receiving ample satisfaction should it appear from the Evidences adduced that the Chinese came for so atrocious a purpose as alledged by the Europeans. It was the joint demand of the Tsontoc and Hoppo that we should send an order for bringing the Men implicated to Canton where they would be tried with the strictest impartiality and Justice, and that the process should be carried on either in the City or in the neighbourhood of the Factories where such Officers as might think proper to attend on the part of the Europeans would have full liberty to do so, and [Puankhequa] even strongly recommended that Captain Dilkes as well as the commanding Officer of the Schooner should be present on the occasion.

The Committee forthwith on February 21st wrote to inform Captain Dilkes of the proceedings of the past few days and of the demands of the authorities, closing with some words of caution:

Having stated in the most detailed manner the progressive steps of this unlucky Affair, it now only remains that we deliver over this delicate and important business to your discretion and Judgement and we trust that the incalculable Stake of the Hon'ble Company will be found of sufficient consequence to claim the most serious and deliberate Consideration previous to any final Resolution being taken on your part.

In the meantime Captain Dilkes had already written from Lintin that he was about to start for Canton

to avow the fact of wounding the Thief, which cannot but immediately

clear the *Abergavenny* and rest the dispute between the King of England and the Emperor of China.

He arrived on the 22nd, and his avowed intention of bringing the King of England face to face with the Emperor of China, with no traders to throw a shadow on the countenance of either, was one calculated to bring dismay to both friendly Viceroy and unfriendly Hoppo, and one which the Chinese authorities, both at Peking and at Canton, had consistently repudiated. Captain Dilkes informed Mr. Hall that

his visit to Canton was expressly for the purpose of addressing the Tsontoc on the subject, but added as he did not recognize in the Committee any public character which could authorize his submitting the affair to their management and control, he must consider the present dispute as entirely appertaining to his Majesty's Ships and the settlement of which must of course rest between himself and this Government.

He accordingly drew up an address to the Viceroy, in which he formulated his charges against the boatmen and asked that they be examined and brought to punishment; and, expressing his sorrow that the customs of China had precluded him from the honour of a personal interview with the Viceroy,

he requested that his Excellency would either be pleased to grant him personal audience or appoint some Judge or other Officer to confer with him on the subject, which he added should be immediately followed by an order to bring the Men up to Canton.

The Committee were now confronted by a danger always impending, that the authorities would endeavour to coerce them into compelling any English captain to conform to their requirements, using for that purpose the lever of stopping the trade; and they also addressed a memorial to the 'Tsontoc Kia, Fouyuen Lung, and Hoppo Ky' conjointly, representing that

as Captain Dilkes is in the Service of his Britannic Majesty whilst we are only under the Orders of the Hon'ble East India Company, he does not recognize any public Character in us that can authorize an interference in a business which entirely relates to one of his Britannic Majesty's Ships and not to any Vessel under our Control;

and they 'submitted with confidence to their Excellencies judgment and equity the predicament in which they at present stood', and trusted to their general disposition to benevolence and justice to distinguish between the King's service and the

Company's. Their lack of power was further emphasized by Captain Dilkes at a conference with the merchants on February 25th, when he categorically asserted that he was solely responsible for the lives of all his Britannic Majesty's subjects under his charge,

> nor would it be any justification to him for the delivery of his people that he could produce an order for that purpose from the Hon'ble Company's Supracargoes . . . nor could he consent to enter into an explanation on the Subject with any person but an Officer of Government deputed for the purpose—the Gentlemen present were all in a mercantile Line—he as a King's Officer could not therefore submit to their interference or mediation.

In thus rejecting the intervention of both the supercargoes and the Hong Merchants, Captain Dilkes struck at the root of the procedure under which the trade of all foreign nations had been conducted at Canton. The merchants were in dismay and used every argument to turn him from his purpose, but without avail; and they finally consented to inform the Viceroy of his wishes, but, one and all, they refused to present the address of the Committee. We may easily imagine that the dismay of the authorities was equal, when they were informed that the English King's officer had refused to give implicit obedience to their orders, but had, on the contrary, proposed something very like a joint investigation; but fortunately the Viceroy had a breadth of vision which was not common among the officials of the Empire, and he, after taking note of the translation of Captain Dilkes's letter, sent an officer to confer with him. The officer was very conciliatory, but he made it clear that the men of the *Providence* who were implicated must be produced for examination. Captain Dilkes took the position that he had a countercharge to bring against the wounded man, and that

> as the nature of the Offence the Englishman had committed would greatly depend on the decision that would be given to that accusation, he requested the Viceroy would give it a prior attention. Should the decision on this point not clear up the innocence of the Englishman, he would then willingly deliver him up to undergo such examination and Sentence as the Chinese Laws would require.

The officer said he would report to the Viceroy, and he also agreed to deliver the Committee's letter of the 24th. He

returned on the 27th and informed Captain Dilkes, on behalf of the Viceroy, that inquiry had shown that the second Chinese had not been pushed overboard, but had himself jumped into the water; and he promised that the English witnesses for the case of wounding would be returned to the factory at the close of each day; but Captain Dilkes could not be permitted to attend. Later in the day he returned with word that Captain Dilkes might attend

however obliged the Viceroy should be thereby to deviate from the established Customs of China in this particular.

On March 4th a joint reply to the Committee's memorial of February 24th was received, finding a serious fault in the Committee's disclaimer of authority over any vessels under the British flag, and ordering them never to repeat their offence; to which they replied protesting their sense of obligation for the great favour shown them by the authorities, promising to yield prompt obedience to all orders received, but repeating that they were unable to exercise control over King's ships.

On March 11th Captain Dilkes arrived at the factory with his witnesses, and the next day they were escorted into the city, with all due respect; but Captain Dilkes was required to deposit his sword at the city gate. They were conducted first to the yamen of the Kwangchow Fu, and then to that of the 'Anchatze' or Provincial Judge, who was to conduct the investigation.

It may be said that, up to this point, Captain Dilkes had been somewhat impatient of Chinese pretension and chicanery, and had manifested his feelings with sailor-like bluntness; but that on the whole his position was logical, just, and dignified. The Viceroy had at every point shown that his sole wish was to do justice and avoid an international entanglement; he had gone out of his way, departing from Chinese precedent, in conciliating Captain Dilkes; and in nothing was this spirit more marked than in directing that the investigation should be conducted by the Provincial Judge. That officer's court was a court of first instance in the case of offences committed by officials only. In the execution of the ordinary criminal law, all trials were conducted by the Hien or District Magistrate; in case of an appeal,

his judgment might be reviewed by the Fu or Prefect, but there was no new trial; and if the judgment involved the death penalty, for which ordinarily sanction would be required from Peking, the case would, then only, come before the Provincial Judge. On the present occasion the court was composed of the following officials:

Provincial Judge.

Kwangchow Fu, the Prefect in superior control of the prefecture of Kwangchow (Canton).

Namhoi Hien, the Magistrate over the western half of the city of Canton and the district to the west, including the factories.

Punyü Hien, the Magistrate over the eastern half of the city and the district to the east, including Whampoa.

Captain Dilkes was attended by Mr. G. T. Staunton as interpreter, who made the following report:

On entering the Hall (in which the four Officials were seated with Tables before them and their Seals of Office) Capt. Dilkes and myself bowed respectfully to the Judge of which he took no Notice, further than to direct that we should advance and stand at his right hand. I then began to state to the Judge at Capt. Dilkes's desire that the Commander of the English Man of War trusting in the promise he had received from the Viceroy of a just and equitable enquiry being made had now presented himself at the Tribunal and brought with him the Witnesses and proofs of the accusation he intended to bring forward. The Judge did not seem to be aware of Capt. Dilkes's intentions or disposed to accede to them, but directing his answer to the Linguist observed that as the wounded Chinese was still living no examination or Trial would at present be required on that head, and that all prosecution of the offenders would cease if the Chinese outlived the 40th day after the accident of which period ten days remained unexpired.

Here was a magnificent olive branch, designed to put an end to the incident in such a way as to save the face of the Chinese authorities, and yet not to bring any Englishman before the court of inquiry. This would be clear to those who know the Chinese character as it is known to-day; but Captain Dilkes refused to accept the substance and persisted in reaching after the shadow, and engaged in an acrimonious discussion with the Judge on the question of admitting evidence on the charge of cutting the cable.

The Anchatze declared that such Evidence tho' taken upon Oath would be held as wholly inconclusive by the Chinese Law. Captain Dilkes then considering himself as deceived by the promise he understood to have been made to him of attending to his Complaint, persisted

with some Warmth in his request; and finding that he was not likely to obtain a direct answer thro' the Linguist who feared to interpret correctly, or thro' me whom the Judge was unwilling to hear, began himself to examine the Witnesses, at which the Judge raised his Voice and shewed great displeasure, and not finding that submission that he expected, ordered Capt. Dilkes and myself out of Court, which the Officers of Justice instantly put into execution in a rude and violent manner.

Unavailing attempts were made through the Hong Merchants to effect an accommodation and procure some form of apology from the Judge; and finally

Captain Dilkes having consented that the Sailor should conform to the Will of the Judge by leaving a written promise of his reappearance within ten days if required, we were all permitted to return to the Factory.

Captain Dilkes then returned to Lintin, and ten days later, on March 22nd, the Viceroy sent his officer to inform Mr. Hall for communication to Captain Dilkes, that

the enquiry and prosecution which had been undertaken in consequence of the accident on board the *Providence* Schooner, were now terminated in a satisfactory manner by the survival of the wounded Chinese beyond the term of 40 days and the confutation of the report of a Chinese having been pushed into the Water by an English Seaman. That the English Sailor was still punishable by the Laws of China but the Viceroy's confidence and benevolent disposition towards the English had induced him to dispense with the strict execution of the Laws in this instance. He however declared that it would not be in his power to grant a similar indulgence upon a repetition of the Offence and therefore requested that all Europeans might be forbidden to fire with Ball at Boats that approached the Ships with however suspicious a design. . . . The Viceroy also requested that having remitted the punishment which by the Chinese Laws was due to the Offender, some Satisfaction should be made to the Chinese Government by inflicting such Chastisement as the customs of England would authorize.

The Viceroy further declared that he was perfectly satisfied with the conduct of the President and Committee in this affair, and that he clearly comprehended and respected the distinction that subsisted between the service of his Britannic Majesty and that of the East India Company.

The Mandarine concluded by delivering an Apology from the Anchatze or Chief Judge for the unpleasant reception the English Gentlemen had met with at the Tribunal which he desired to be entirely

attributed to his ignorance of the honorable Situation which they held, and had since dismissed the Attendants, at whose rough behaviour, Captain Dilkes had taken offence.

Nothing could have been handsomer than this settlement of what might have become a second *Lady Hughes* case, and Mr. Hall expressed 'the grateful sense he entertained of the partiality shewn by the Viceroy to his countrymen'; and he added that

the English being unacquainted with the Laws and Customs of China, were continually liable to involuntary infringements of them, he therefore requested of the Viceroy to permit the English to obtain a Copy of the Chinese printed Laws for their information and obedience.

Captain Dilkes's acknowledgement was sarcastic in tone:

I will not detain your Boat so long as it will take me in writing to his Excellency to thank him for his Condescension and Clemency, but will deliver it as soon as possible to the Mandarine at the Bocca. I beg leave to congratulate you upon this recorded acknowledgement of your entire independence of his Majesty's Service.

The officer in command at the Bogue refused to receive Captain Dilkes's letter for the Viceroy. He then sent it in a sealed cover to the Committee; but the merchants refused to transmit it unless they were informed of the contents. He then authorized the Committee to open it, adding:

I am very sorry that being so pressed by time that I was not able to go to Canton and endeavour to force a delivery myself, he must think it very strange I do not send some answer to his Message.

The cover was then opened and its enclosure was taken to the Viceroy together with a translation made by Mr. Staunton. The Viceroy sent a message in reply couched in courteous terms and expressing his deep regret for the personal indignity to which Captain Dilkes had been subjected; but he returned both letter and translation, as he was now fully acquainted with the whole matter of Captain Dilkes's address; and the merchants refused point-blank to take them again to the Viceroy.

In answer to the request for a copy of the printed Laws of China, the Viceroy again sent his officer with a message that

he approved of the motives that induced them to request a Copy of the Chinese Code of Laws, but as the work was extremely voluminous as well as multifarious in its contents, the Europeans would scarcely be able to derive from it precise information on the points in which they were concerned; and it being moreover of a public Nature, could not

with propriety be granted to the inspection of Foreigners without the express permission of the Emperor. The Viceroy therefore thought it more expedient that the Articles in which the Europeans were supposed to be most interested should be selected and printed apart for their information.

Of this excerpt a hundred copies was sent. Mr. Hall had also asked for permission to engage teachers for the study of Chinese.

With respect to the desire of the English to procure teachers qualified to instruct them in the Chinese Language the Viceroy informed them that it was virtually forbidden in the regulation by which a certain class only of Chinese, not including persons of the aforementioned description, were authorized to hold any intercourse with Europeans.

The extract from the Laws was an obvious compilation *ad hoc* by the authorities at Canton of the regulations which they considered it proper to apply to Europeans commorant in China; and as translated by Mr. Staunton, they were as follows:

1° A Man who kills another on the suspicion of Theft, shall be strangled according to the Law against Homicide committed in an Affray.

2° A Man who fires at another with a Musket and kills him thereby, shall be beheaded as in cases of wilful Murder; if the sufferer is wounded (but not mortally) the Offender shall be sent into Exile.

3° A Man who puts to death a Criminal who had been apprehended and made no resistance, shall be strangled according to the Law against Homicide committed in an Affray.

4° A Man who falsely accuses another innocent person of Theft (in cases of greatest criminality) is guilty of a capital Offence; in all other cases the Offenders whether principals or accessories shall be sent into Exile.

5° A Man who wounds another unintentionally shall be tried according to the Law respecting Blows given in an Affray, and the Punishment rendered more or less severe according to the degree of Injury sustained.

6° A Man who intoxicated with Liquor commits outrages against the Laws, shall be exiled to a desert Country, there to remain in a state of Servitude.

The foregoing are Articles of the Laws of the Empire of China according to which Judgement is passed on persons offending against them, without allowing of any Compromise or Extenuation.

At some time and by some means a copy of the complete code was obtained. It was translated and edited by Sir George Thomas Staunton, the young interpreter of 1793 and 1800, and was in 1810 published in his epoch-marking work, *Ta-tsing Leu-lee*.

APPENDIX M

Edict to prohibit the Sale of Opium, published at Canton on the 2nd of December, 1799

Addressed by the Hoppo or Receiver General of the Customs at Canton for the information of the Merchants appointed to trade with Foreign Nations.

Whereas I have received advices from his Excellency the Fouyuen setting forth that 'The Ships of Foreign Nations have long since been permitted to import at Whampoa and Macao in the province of Quangtong for the purpose of carrying on a Trade by the free interchange of such commodities as were in demand on the one hand and Superfluous on the other. From this General rule the article only of Opium was excepted, a substance of whose composition we are unacquainted, but which is of a violent and powerful Nature, and possesses a foetid and odious flavour: being however remarkable at the same time for a quality of exciting and raising the spirits, it has been sought after and purchased by persons without fixed homes or professions, who having prepared an extract from it, opened Shops for the support of this branch of Traffic. The Use of Opium originally prevailed only among vagrants and disreputable persons, who occasionally associated together for the purpose of partaking of this substance, but has since extended itself among the Members and descendants of respectable Families, students and Officers of Government, many of whom are so infatuated in their attachment to this drug, as to make an habitual use of it.

'Their inducement on this occasion appears to be, the power which this substance communicated to those who partake of it, of not closing their Eyes for entire nights, and spending them in the gratification of impure and sensual desires, whereby their respective duties and occupations are neglected. When this habit becomes established by frequent repetition, it gains an entire ascendant, and the Consumer of Opium is not only unable to forbear from its daily use, but, on passing the accustomed hour, he is immediately seized with pains in the head and a feverish heat, cannot refrain from tears or command himself in any degree. For relief therefore from these painful symptoms and to regain his wonted health, he has necessarily recourse to the same pernicious substance. When at length the gradual and progressive effects of this poison have pervaded the lungs and the whole bodily frame, the sufferers with the pale and sickly

hue of Doves or small fluttering birds, are no longer within reach of Medical assistance : desirous but in vain of quitting so dreadful a practice, they would willingly end it with their lives by tearing out their entrails in despair.

'The extraordinary expence of this article is likewise to be noticed each mace weight of which in the extract is exchanged for 8 or 9 Mace in Money, and the constant use of it raises at the same time an excessive appetite for other kinds of food, which the fortunes of the bulk of the Community are unable to satisfy, and are therefore, in the course of a few years wholly dilapidated and wasted away. Of These, The infirm and weak perish gradually from want and hunger, while the Strong and Vigorous become Thieves and Robbers, the ultimate ruin of all being thus equally certain and inevitable. Others again among the deluded and misjudging people, from trifling causes or absurd conceits, take the premature resolution of swallowing a decoction of Opium in Wine, Thus ending their existence by means of readier access than the generality of Vegetable substances usually esteemed poisonous and destructive to the human frame.

'The pernicious effects arising from the use of Opium were formerly confined to the provinces of Fokien and Quangtong, but have spread in the course of time through the other provinces of the Empire, where the eagerness after the traffic and consumption of this Article has even exceeded that of its first introducers. Thus it is That Foreigners by the means of a Vile excrementitious substance, derive from this Empire the Most solid profits and advantages, but that our Countrymen should blindly pursue this destructive and ensnaring vice even till death is the consequence without being undeceived, is indeed a fact, odious and deplorable in the highest degree.

'Being now desirous of opposing the growing evil for which it appeared necessary to revert to the sources whence it sprung, We discover by a careful investigation that the article of Opium is imported by Foreigners, and gains admittance into the Empire through the Bocca Tigris, either by the Pilot Vessels and armed guard-boats that are stationed there, it is conveyed up the river to Shen Shin (Dane's Island) or, by Means of small craft it is landed by degrees at Macao and thence conveyed privately to the Capital, while the Custom House Officers and guards at the different Stations, though well acquainted with the transaction, suffer it to pass without examination or enquiry, being doubtlessly bribed to a large amount for that purpose.

'If the utmost endeavours are not now made to cut away the root and branches of the Evil, to what extent may they not proceed ! We therefore publish these our general orders, for the information of all officers Civil or Military at the different Stations and districts of the province, that they may vigorously

examine into and punish the commission of this Offence whenever it occurs, and at the same time we request of His Excellency the Hoppo to issue positive orders and injunctions to the Officers, attendants and Guards of the several Custom houses in his Department, that should hence forth any pilot Vessels, Guard boats or Fishermen privately take on board, those pieces of mould or earth denominated Opium, a strict search and investigation shall be made, and the Offenders apprehended and conveyed to the presence of the Magistrate to undergo such punishment as may be thought adequate to their Guilt. If notwithstanding these our Orders, Bribes are again accepted, and the passage of this article connived at, it shall be traced with the utmost exactness and rigor in the districts and Stations, through which it had been transported, that no pains may be spared to effect a thorough reformation and amendment in these respects. Should any further mode or regulation occur, that might tend to enforce or render more effectual these prohibitions and restrictions, We require of His Excellency the Hoppo to give us due information thereof in reply to this our communication to him.'

On receiving the foregoing letter, I made a Similar Enquiry respecting the introduction of the substance denominated Opium, and find that it is indeed imported into this Country by Foreign Vessels and have consequently issued orders to the Superintendant of the Custom House at the Port of Macao, to be communicated to the Chief Foreign Presidents and Commanders of Vessels belonging to that city, notifying our determination to prohibit the entrance of the Article Opium into that Port ; as well as our General Orders to make any exertion to discover and inform us of it, if ever it should take place.

Having replied to His Excellency the Fouyuen's Communication I proceed to extend the above Orders to the Hong Merchants to which it behoves them to pay a strict and unreserved obedience, and communicate them to the Chief Supracargoes of Foreign Nations, that they may inforce the observance of this prohibition of the importation of Opium on board the Ships of their respective Countries. But should nevertheless any Ships hereafter import this article, none of the Hong Merchants will be so imprudent or absurd as to become Security, or undertake the disposal of her Cargo, as I should in such event immediately report their conduct to the Viceroy and Fouyuen by whom the Merchant would be rigorously examined and punished for the Offence without any mitigation or excuse being admitted. The Hong Merchants shall according to Custom, reply hereto and make known to us their obedience to these Commands.

Given at Canton on the 11th day of the 11th Moon of the 4th year of the Emperor Kia King.

[Translated by G. T. Staunton.]

LVI

THE RAPACIOUS HOPPO, 1800

THE Select Committee consisted in the season 1800 of Mr. Richard Hall, President, and Messrs. Samuel Peach and James Drummond. The books were opened on March 26th with the following balances:

		Tls.
Cr. By	Silver in treasury	16,236
	Tea in stock, 85,199 piculs	1,909,204
	Mowqua, advance on Raw Silk	204,000
	Puiqua ,, Nankeens	111,600
	Shy Kinqua's debt	27,961
	Factory account	55,632
		2,324,633

Including one ship too late to be dispatched in the season 1799, the Company loaded for London 19 ships of 19,135 tons; in addition a small brig came from Amboyna with spices. The English products realized: woollens (invoiced £819,754), Tls. 2,193,411, a loss of 11 per cent. on prime cost f.o.b.; lead, Tls. 100,561; tin, Tls. 66,729; a total of Tls. 2,360,701. Indian products realized Tls. 554,667; in which cotton (Tls. 396,422) gave a profit over cost c.i.f. of 27 per cent.; sandalwood (Tls. 84,468) a similar profit of 72 per cent.; pepper (Tls. 49,087) a loss of 18 per cent.; and spices from Amboyna (Tls. 24,690) a profit of 351 per cent. on the cost laid down (viz. prime cost 2,798 dollars, freight 4,805 dollars). The total value realized by the Company's imports was Tls. 2,915,368.

The direct ships brought 530,298 ounces of silver invoiced at 5*s.* 3¼*d.* per oz., realizing Tls. 440,103, comprising 513,864 counted dollars and Tls. 70,121 in bar silver. During the season the treasury received a total of Tls. 2,383,030 as follows: 1,335,285 dollars for bills on London at 5*s.* 6*d.* and 365 days; 840,000 dollars for bills on Bengal at 42 = 100 current rupees, one-third each at 10 days, 20 days, and 30 days; 70,000 dollars for bills on Bombay at 49 = 100 Bombay rupees; 79,618 dollars for bills on Madras at 17 = 10 star pagodas; 825,000 dollars

under engagements with the Presidencies in India; 152,089 dollars for certificates; 7,772 dollars for freight. The investment of the season is not recorded, but on the tonnage basis of the preceding season it was about Tls. 4,282,000.

The cotton imported on the Company's account amounted to 33,035 piculs net out-turn; of the shipments at Bombay 13,000 piculs gross weight were packed by Mr. Henshaw's press, and 24,500 piculs gross by Mr. Adamson's screw.

The trade of Canton was as follows:

		Ships. No.	*Cotton.* Piculs.	*Tea.* Piculs.	*Raw Silk.* Piculs.	*Nankeens.* Piculs.
English	Company	19	90,764	223,493	827	6,615
	Country	21	147,222	6,965	302	807
American		23	..	35,620	35	6,366
Swedish		2	..	16,818	..	385
Danish		4	..	7,226	..	481
Prussian		1	..	6,018	..	59
		70	237,986	296,140	1,164	14,713

As was the invariable practice, so far as shown in the records, the raw silk by the English Company's ships was the Nanking product, while by country ships and under other flags it was Canton silk. Of ginseng American ships imported 887 piculs, and English 454 piculs. Of fine furs English ships imported 27,233, and American 411,167, of which 387,304 were sealskins; of rabbit skins, English 49,392, American 3,940.

The sixth and final dividend of Shy Kinqua's bankrupt estate was paid, to the Company Tls. 29,103, to private persons Tls. 70,686. This does not agree with the amount shown above in the balance, but the figures are as recorded.

The contracts for the season 1800, made in advance at the close of the previous season, were distributed as follows:

	Woollens. Eighteenths.	*Bohea.* Large chests.	*Other Teas.* Small chests.
Puankhequa	4	1,900	29,000
Mowqua	3	1,300	24,000
Puiqua	3	1,300	24,000
Yanqua	3	1,300	24,000
Ponqua	1	500	7,700
Chunqua	2	1,000	15,400
Gnewqua	1	500	7,700
Conseequa	1	500	7,700
	18	8,300	139,500

The ship *Thames*, of the previous season, was late in arriving, and was loaded and dispatched on August 8, 1800. It might have been possible to dispatch her a few days earlier, but

> the full Moon occurring at the 4th at night when changeable and boisterous weather is most to be expected we judged it expedient to delay his sailing until that period should have passed when the weather to be expected at his outset might be ascertained to a greater degree of certainty.

Being a single ship sailing without convoy or companions, special instructions were given to her commander—

> Great Britain being engaged in War with France, Spain & the Ruling Powers in Holland . . . The Season of the Year affording no choice of Passages you must necessarily proceed to the Eastward of the Philippines by the Route commonly called Pitt's Passage and effect your passage into the Indian Ocean thro' some of the Straits to the Eastward of Java.

On modern maps Pitt Pass lies between the Xulla Islands and Bouro Island; a century ago Pitt's Passage was not a definite route, but the name was applied to 'a variety of Channels classed under the denomination of the Pitt's Passage', between New Guinea on the east and Gilolo or Celebes to the west.

The second fleet of direct ships outward from London were very late in arriving, having been detained at Rio de Janeiro for a long time by the exigencies of convoy; and the Committee, seeing that their dispatch from Canton would be so late that they must necessarily take the Eastern Passage and pass dangerously close to Manila, were anxious to provide for their being convoyed by H.M.S. *Belliqueux*, which had convoyed them out. Captain Rowley Bulteel stated that

> his instructions from the Lords of the Admiralty were positive, that after conducting the Company's Ships to China he was to proceed in quest of Admiral Rainier touching first at Madras and place himself under his orders;

and that his ship required extensive repairs which could not be effected at Anson's Bay, while Lintin was too much exposed. He was, however, desirous of doing all in his power to protect the Company's interests, and agreed to address the Viceroy and request permission to effect his repairs in the anchorage of Anson's Bay. A memorial was drawn up by Captain Bulteel in

this sense, and was taken by Puankhequa and Mowqua to the Viceroy's yamen; on learning its purport, he returned it unopened, with the verbal answer that

it was not in his power to comply with Captain Bulteel's request of being permitted to proceed with his Majesty's Ship to Ansons Bay and as that Point had already been determined there could be no occasion for any further applications which he must decline receiving.

Captain Bulteel regretted the refusal to permit him to move up to Anson's Bay:

yet the strong inclination that I have to afford all the Protection in my power to so valuable a trade as the object of your request, induces me in consequence of your renewed application to attempt a repair at my present anchorage [at Lintin].

The *Belliqueux* was ready for sea on April 20th, on which date a report was received that war had broken out between Spain and Portugal, which would expose Macao to the danger of attack from Manila; and ultimately on May 6th the fleet of seven Indiamen was dispatched under her convoy.

The bullion sent from London consisted in part of bar silver, and on this head the Court of Directors wrote that

the great scarcity of Silver in the London market (which obliged the Hon'ble Court to send part of the Silver in bars) prevented a greater quantity being sent . . . thus circumstanced it afforded peculiar pleasure to observe the Governor General had revoked the order to forward to Bengal the Bullion shipped last Season [1] to whom directions have been given that no part of the present or future Consignments of it to China shall be appropriated to any purpose whatever of the Company in India.

At Canton the bars presented a difficulty, owing to the fictitious value, exceeding their intrinsic value, attaching to head dollars. As in invoicing them their weight had been reduced to the English standard weight of 11 oz. 22 dwt., which corresponded to 92½ touch, the Committee proposed to Puankhequa that he should accept the bars at their invoiced weight, giving him a nominal profit of about 2 per cent. He objected on the ground of the expense of smelting and assaying,

independent of which he said that Head Dollars being much in esteem as a coin of fixed value, it was well known they would at present purchase an equal weight of Silver [sycee 100 fine] and that consequently we were asking him to submit to a certain loss of 8 per cent.

[1] Cf. *antea*, p. 324.

The justice of this reasoning was recognized, and the consignment, it was ultimately decided, was to be divided according to the invoiced weight in equal shares between the four senior Hong Merchants—

> At the same time as it must expose them to a considerable loss, or (which they consider the same) prevent their deriving the profit which a payment in Head Dollars would have insured them, they have expressed their hope that no more Silver in bars will be sent.

Notwithstanding the Court's prohibition to the Governor-General to apply to the needs of India any part of the bullion intended for China, Lord Wellesley, under date of February 11, 1801, wrote informing the Committee that funds on which he counted for the service of India, to the amount of five hundred thousand Pounds sterling, had not come to hand—

> It was in expectation of this supply that I appropriated so large a proportion of the resources of India for the past year, to furnish your Treasury with funds for the Company's Investment at China, and my hopes that the Hon'ble Court would have been satisfied of the great benefits which would have resulted, both to their Affairs in India and China, from sending a large annual Consignment of Bullion to Bengal, had induced me to lay the foundations of a plan, which would have secured to the Treasury at Canton large annual supplies for the Company's Investment at China. . . . The failure of the expected supply of Bullion for India has subjected the public Finances to the most serious embarrassments, and deeply affected the Public Credit. . . . Unless early relief be afforded to the Finances of India by a large supply of Bullion, the Public Credit will suffer ; the Investment in India for the present year must be reduced to a low scale, and I entertain the most serious apprehensions that I may not be able to provide the necessary means of exertion against the Common Enemy. By advices from England as late as the middle of October, the most vigorous efforts are now become indispensably necessary, to secure the future safety of the British Empire in India.

Three days later, on February 14th, he wrote further that, if the Committee should be able to comply with his request,

> you have my sanction to draw Bills on this Presidency as well as the Presidencies of Fort St. George and Bombay for the service of the ensuing year 1801–2 to the amount which you were authorized to draw in the last year.

The Committee received this requisition on May 2, 1801, four days before closing the transactions of the season 1800, from

which they had a credit balance of Tls. 2,669,274; and a careful calculation showed them that, after providing for the probable needs of the next season, they could spare from this balance the sum of 500,000 dollars,

Tho' by diverting the Funds of this Treasury to any purpose whatever of the Company in India, is evidently in opposition to the orders of the Hon'ble Court, having no doubt of being able to prove that a remittance to the extent of 500,000 Dollars will neither interrupt the fulfilment of any existing engagements, or endanger our Finances of the ensuing Season we shall trust to the Hon'ble Courts favorable construction of a compliance which less cogent reasons than those assigned by the Noble Marquis could not have extorted from us, and as his Lordship is equally with ourselves in possession of the Hon'ble Courts prohibitory Orders on the subject of remittance to Bengal we trust it will be permitted us to infer from his opposite Conduct, that the exigencies in India are such as in his firm belief will justify the exercise of the discretionary powers vested in his high Office, and under the same impression it affords us much satisfaction to observe that a remittance of 500,000 Drs will in effect complete a supply of 1,652,382 Dollars, the difference having been restored to the General Treasury of India by our not having had it in our power to avail ourselves during the present Season of Drafts to that extent to the Presidencies of Madras and Bombay.

In sending this remittance the Committee, on the suggestion of the Hong Merchants, took the opportunity of shipping away the bar silver received from London, including it at the invoiced weight and value, as follows:

	Dollars.
Bars, 84,706 oz. 4 dwt. British standard equals . . .	97,390
and the remainder is in Dollars	402,610
	500,000

To convey this remittance to Calcutta the Governor-General had sent to Canton the Company's frigate *Nonsuch*. The Committee had had much trouble with ships-of-war and with ships which did not both bring and carry away some cargo; and the Chinese authorities, in the belief that money was wealth, prohibited the export of silver. In this situation they consulted Puankhequa and Mowqua, who, after a conference with the Hoppo's secretary, advised them against any clandestine action and urged them to make a plain statement of the case in a memorial to the Viceroy and Hoppo conjointly; moreover

as the Measurement of the Ship was not to be avoided, it would expedite the business by a voluntary declaration that we were willing to pay all customary Port Charges.

Such a memorial was accordingly drawn up and sent by the hands of the two merchants, and the next day, May 3rd,

We had the satisfaction to receive a most gracious and polite message thro' the Merchants from the Tsontoc, acknowledging the receipt of our address of yesterday, and saying he was happy to have it in his power to render us a service by his acquiescence, that he had no doubt our letter contained a faithful statement of Facts, and that we might send the Treasure on board the *Nonsuch* and likewise that Captain Canning might supply himself with provisions but must then depart. The Merchants also informed Mr. Hall that the Tsontoc adverting to that part wherein we expressed our willingness to pay all customary Charges had observed as the *Nonsuch* neither brought nor was to take away any Cargo, he should not think it too much to remit that duty, but it was a point in which he could not interfere as it rested entirely with the Hoppo. And the Hoppo has resolved to inspect the Ship in Person or by Deputy in order to ascertain and claim the Port Charges.

The *Nonsuch* received the silver on board on May 11th and sailed the next day from First Bar. She had been measured, and her port charges were at first reported to the Governor-General to amount to Tls. 2,860 (i. e. 910 + 1950); but the account actually presented on May 13th was as follows:

	Tls.
Measurement: length 66·5 coveds, breadth 20 coveds, 133 units at Tls. 6·84 as a second rate	910
Present	1,076
	1,986

Of this sum the Hoppo on May 18th voluntarily returned Tls. 114, 'some small Fees having been included in the former calculation not intended to be demanded', thus reducing the present to Tls. 962. Ever since 1727, and possibly from a somewhat earlier date, on only one occasion (the sloop *King George* in 1730) had any other sum than Tls. 1,950 been demanded as present, whether from large or from small ships.

Throughout this season the Hoppo was overbearing and rapacious. On one occasion the iron safe belonging to the commander of the *Hugh Inglis* being sent up to the factory, the Customs officers discovered in it two pairs of watches which had

been placed in it by the purser for safe custody and inadvertently left there, upon which the Security Merchant, Puiqua, offered to compromise the matter by paying 180 dollars.

Feb. 3. The Weyuen or Second Hoppo measured the *Hugh Inglis* when Captain Fairfax took the opportunity to explain to him the affair of the watches, was told it was settled and only desired to be more careful in future—but on the 4th the Hoppo issued his Chop to Puiqua confiscating their seizure to the Emperor's Exchequer and fining Puiqua fifty times their duty.

On another occasion 48 pieces of camlets were seized as having been smuggled; the parties were not identified, but suspicion fell on the ship *Cirencester*;

it does not appear that the Hoppo himself is in possession of clear evidence, by a stretch of power however Conseequa[1] the Security Merchant for the *Cirencester* was by a public Edict of the Hoppo exchequered for the duties, one hundred fold, on 48 pieces of Camlets, which at 14 Dollars per piece amounts to a fine of 67,200 Dollars.

In the following summer, on August 3rd, Tinqua, the nephew of Conseequa, came to Macao and informed the Committee that the case had been referred to Peking, and that the Hoppo, being now duly authorized,

demanded of Conseequa fifty thousand Tales in addition to the legal duties, threatening imprisonment if the fine was not complied with;

and he requested the Committee to intervene with the Viceroy. It was manifest to the Committee that such heavy exactions, even if they did not reduce the Hong Merchant to bankruptcy, must ultimately fall on the foreign trade and constitute an immeasurably heavy tax on it; and moreover, as the exaction was imposed not on a proved offender against the revenue laws, but on the Security Merchant for the ship alleged to be concerned, it was felt that the position of the Company at Canton was involved; and it was resolved that

it is of itself a sufficient consideration to determine our Conduct, that if the present sentence is to serve as a permanent Rule and scale for Fines, that a Merchant of the highest respectability and in the best circumstances may instantly and without his own privity or any warning to us be reduced to misery and ruin.

They accordingly determined that Mr. Drummond should pro-

[1] Cf. *antea*, p. 283.

ceed at once to Canton, and that, while waiting for a Chop for the factory to return, they should prepare separate addresses to the Viceroy and the Hoppo, which Mr. Staunton was to render into Chinese and transcribe in his own handwriting, the better to conceal the intervention of the body of Hong Merchants; in this address it was proposed to point out that

> the Hong Merchants finding themselves held responsible for the conduct both of the lowest of their own and Foreign Nations without any competent power to control, will endeavour to quit a situation of such extraordinary hazard, or must propose terms and conditions to Foreigners to the prejudice and danger of their Trade and Security; that Men only of desperate fortune will in future be Candidates for the situation of Hong Merchants; that the mutual confidence between the Merchants and Foreigners must henceforward be impaired if not entirely destroyed; and that the present instance of Amercement will excite alarm and distrust and its Repetition cannot fail to endanger the continuance of the Foreign Trade on its present extensive Scale.

Mr. Drummond, on going to Canton, was confronted by a new fact—that the Hoppo had recently issued an order to the Hong Merchants to include in their Kungso duties the Company's woollens, which had previously escaped this tax. The Kungso (Consoo) [1] duty was for the purpose of paying the foreign debts of Hong Merchants, and, as they were incurred chiefly in the Indian trade, the duty was rightly levied on imports from India; but now it was proposed to extend its incidence to English woollens, which had in recent years risen to an annual value of two million taels. Conseequa urged that immediate steps be taken for his relief; but Puankhequa was of opinion that, as the fine on Conseequa was based on an imperial rescript, an address on the subject from the Committee would be rejected by both Viceroy and Hoppo; and it was decided to await the arrival of the new Hoppo, who was expected in October. Before that date, however, the Committee, being still at Macao, were informed by the Hong Merchants that they had resolved not to become Security for any ship of the Company unless the Committee would enter into an engagement which would secure them from the penalty of fifty thousand taels in case of the discovery of any smuggling. The factory returned to Canton on October 14, 1801, and later procedure belongs to the next season.

[1] Cf. *antea*, pp. 16, 22, 33, 59, 69, 110, 225, 298.

When the factory left for Macao in May it was found that the duties on their stores had been unfairly charged, and it was only after twelve days of discussion that redress was obtained. Of the original claim Tls. 573 were remitted, and Tls. 602 ultimately paid. The remission was made on the same day that Tls. 114 were returned for measurement of the *Nonsuch*. It is probable that in these affairs the Viceroy's influence had prevailed, as the Hoppo had a bad reputation. In connexion with the Macao duties the Committee requested the senior merchants to make representations.

May 6. Their efforts however had no avail in prevailing upon Puankhequa and Mowqua to wait upon the Hoppo, who after observing that his violent and ferocious temper was not unknown to Europeans, and pledging themselves to use their utmost endeavours with his Successor for the preservation of our privileges, civilly though positively declined, upon the ground that they were convinced a visit from them would produce nothing in our favour, while it would inevitably expose them to his fury and abuse.

May 10. Puankhequa and Mowqua attended and translated the address, which done they observed that although they had promised to assist in its presentation it might expose them to much harsh language were they to appear the sole actors. They therefore requested the President to summon all the Merchants and require of them to present it in a body to Government [the Hoppo].

In a report to the Court of Directors dated October 21st, referring to incidents to be recorded in the next chapter, the Committee mention

the present Hoppo, whose rapacious, persecuting and malevolent disposition has not been exceeded by the worst of his predecessors.

LVII

THE ENGLISH THREAT TO MACAO, 1801

THE season 1801 opened with the same Select Committee; but the President, Mr. Richard Hall, went home invalided on January 18, 1802. Mr. James Drummond then became President; Mr. Samuel Peach remained Second; and Mr. George Sparkes was moved up to the Committee. Mr. Hall was accompanied home by Sir George Thomas Staunton, who had succeeded to the baronetcy on the death of Sir George Leonard Staunton. The books were opened on May 6th with the following balances:

	Tls.	Tls.
Cr. by Silver in treasury	417,052	
Tea in stock, 95,723 piculs	1,973,560	
Nankeen in stock, 5,000 pieces	3,250	
Owing by Chinese merchants	414,498	
Factory account	17,562	
		2,825,922
Dr. to Owed to Chinese merchants		156,648
Credit Balance		2,669,274

During the season the Company loaded for London 25 ships (22 Indiamen of 23,798 tons, 3 from New South Wales of about 1,000 tons, total about 24,798 tons); in addition one small craft of about 100 tons came from Amboyna with spices. The inward cargoes realized: woollens, Tls. 2,334,227; tin, Tls. 160,862; lead, Tls. 254,358; iron bars, Tls. 11,750; total English products, Tls. 2,761,197. Indian products on Company's account realized: cotton (c.i.f. Tls. 164,976), Tls. 169,485; sandalwood (c.i.f. Tls. 65,808), Tls. 103,361; spices (c.i.f. Tls. 15,342), Tls. 43,585; total Eastern products, Tls. 316,431.

The ships brought bullion to the amount of 136,682 dollars, and the Committee sent to Amboyna 23,668 dollars in specie, leaving a net import of 113,014 dollars = Tls. 81,370. The treasury received cash to the amount of 857,000 dollars for bills on London at 5*s.* 6*d.* and 365 days; 645,000 dollars for bills on

Bengal at 43 and 30 days; 25,833 dollars for bills on Madras at $15\frac{1}{2}$ = 10 star pagodas; 109,707 dollars for certificates; a total of 1,637,540 dollars = Tls. 1,179,029. Transfers in the treasury in favour of Chinese merchants amounted to Tls. 490,331.

The investment by the 25 ships was invoiced at Tls. 6,073,586. During the season the factory charges were as follows:

	Tls.
Charges on merchandise . . .	9,671
Charges extraordinary . . .	16,664
House expenses	17,092
House rent, repairs & furniture . .	12,044
Total . .	55,471

The trade of Canton in the season was as follows:

	Ships. No.	*Cotton.* Piculs.	*Tea.* Piculs.	*Raw Silk.* Piculs.	*Nankeens.* Pieces.
English { Company	26	38,571	221,255	603	144,700
English { Country	6	15,619	782	259	40,000
American . . .	36	1,873	40,879	138	1,400,000
Swedish . . .	2	..	..	..	..
Danish . . .	1	..	1,391	..	..
	71	56,063	264,307	1,000	1,584,700

Of ginseng American ships brought 933 piculs, English 493 piculs; of fine furs, American 444,087, English 42,650; of rabbit skins, English 80,364. Of the American ships 13 are reported as having brought 1,383,000 dollars in specie; and 10 of those without specie brought sealskins from 15,700 to 73,500 for each ship. In the Canton market price list sealskins were quoted at 80 dollars per 100, beaver skins at 6 dollars apiece, and sea-otter skins at 22 dollars apiece.

At Macao the Committee had received formal notice that the Hong Merchants would refuse to act as Security for the Company's ships unless they received an indemnity against such fines as had been imposed on Conseequa; on the arrival of the first ships, returning to Canton on October 14th the President stated to the Committee that

to his astonishment he found them now as eager to secure our Ships and commence the unloading, as they had before appeared to be averse to it: and that the cause of this un-looked for change was to be ascribed to the violence of the Hoppo, who, apparently apprehensive that the

Duties on the present importation might not be collected during his administration, had overawed the Merchants by threatening to impeach them in an address to the Emperor as Leaguing together to impede the collection, in order to manifest their resentment at the late decree respecting Conseequa, and by thus leaving the Ships without any ostensible securities, to avail themselves of the interim and land the Cargoes clandestinely.

Puankhequa was very apologetic, and declared that the Hong Merchants had now abandoned their intention of demanding an indemnity from the Committee; but he expressed the hope that the commanders and officers of the ships might be required to enter into a 'joint penalty bond for their respective Ships'. This plea was rejected, partly as being *ultra vires* of the Committee, and more particularly

because the Merchants could offer no counter-security against the continuance of those temptations which daring Chinese would throw in the way of incautious Europeans; and lastly because it would tend to relax all vigilance on the part of the Hong Merchants, and increase the connivance and encouragement which it was impossible not to believe were already too prevalent among the lower orders of the Hoppo's Officers.

The terms of a drafted circular letter to all commanders on the subject of smuggling were then explained to the merchants, who approved, but suggested further that

not only might the Merchants but the Company also be subjected to much embarrassment should any Chinese women be discovered going into or out of any Ships at Whampoa, of which they brought to our recollection an instance of last Season, when a Country Ship the *Dove* had been detained some weeks for such an offence, and therefore they requested us to put all persons in the Company's employ upon their guard.

They also offered to pay the duty on any trifling ventures which the officers might be tempted to smuggle. At a later meeting it was mentioned to the merchants that

Complaints were daily made to us by the Commanders of our Ships of the disorders arising from the Chinese, and very often the petty officers of Government appointed to watch the Fleet, selling spirits to the Common Sailors, to the manifest Prejudice of their health and of all discipline. We likewise pressed upon their attention that it was a practice imminently dangerous to the Security Merchant, first because it deprived the Sailors of all power of discrimination and led to frays and disputes with the Chinese,

and because it led to the pilfering of cargo, which might be considered to have been smuggled. The Hong Merchants at this time also had their own troubles.

Oct. 15. The Hoppo has on some account or other refused Chops for landing private Trade.

Oct. 16. The Merchants engaged the whole of Yesterday and to-day in the City and no Chops are yet issued for landing the private Trade. Late in the evening Puankhequa waited upon the President who inquired on what account the trade was still suspended—when he replied that it would readily be explained by the following recital of an embarrassment in which he and his family were involved from the rapacious and oppressive temper of the Hoppo. Some time since, in consequence of dreadful inundations and unusually heavy rains to the Northward, which had desolated extensive tracts of land in the neighbourhood of Pekin and ruined the Grain, the Emperor had instructed his Mandarins in the different Provinces to collect benevolences : and that after some altercation between the Tsontoc and Hoppo, the former of whom wished to be more moderate, the latter succeeded in assessing the Body of Hong Merchants two hundred and fifty thousand Tales, which had been paid and that his share was fifty thousand. That immediately after this was finished, the Hoppo began to disclose an opinion that so small a contribution was ill proportioned to Puankhequa's wealth and extensive Establishments, and within the last few days absolutely demanded of him for the Emperor's Service five hundred thousand Tales, and as a means of enforcement, had caused the most vilifying impeachment of his character to be drawn up, and addressed to the Emperor, that human malice could invent, and that the Trade was now stopped in order to give colour to the Calumny which was to hold him forth as the impediment to the collection of the revenues.

Puankhequa, after consulting with his family, had offered one hundred thousand taels as a voluntary gift, but this offer had been 'rejected with violent indignation'. The next day, however, the Hoppo reduced his demand to three hundred thousand taels. Mr. Hall asked if the intervention of the Committee was desired, and was advised

to forbear from every negotiation while the present Hoppo remained in Office, and Puankhequa added that particularly on the present occasion, any interference on the part of the Committee could only tend to plunge him into deeper Embarrassment, as no one, excepting himself, would be considered the instigator.

Both parties remained firm, the Hoppo demanding Tls. 300,000, Puankhequa offering Tls. 100,000, and the Hoppo sent off to

Peking his memorial of impeachment; but three days later he sent a special courier to recall it, the territorial officials in general having made strong representations to him, protesting against his rapacity and oppression.

The question of the Consoo Fund disturbed the minds of the Committee more than the others which had been raised. The Consoo Fund was provided by a voluntary levy on the foreign trade collected from the Hong Merchants by themselves and paid into the treasury of their gild or Kung-so; its purpose was to create an insurance fund from which to meet the obligations of the merchants, who enjoyed a close monopoly of the trade, which deprived the foreign traders of the power of ensuring their own security. The Company's financial methods were so sound and its business procedure so little speculative, that the bankruptcies which had occurred among the Hong Merchants from 1780 on had been brought about, never as the result of dealings with the Company, but always through transactions in the country trade; and, as far as imports were concerned, the tax was levied on commodities which did not enter largely into the Company's trade, mainly on cotton and a few other products of India. The foreign traders had no direct personal knowledge of the tax, which was levied on the Chinese merchants; and, while the Company was affected by the levy on tea and silk, its principal staple of import, woollens, was exempt.

This rapacious and oppressive Hoppo, looking around for new sources of revenue, had called upon the Hong Merchants to submit lists of additional commodities on which the tax might be levied; and, under coercion, they had individually presented lists which included no less than 294 articles, recommended by one, or by several, or by all. Every list had included broadcloth, Long Ells, and camlets; and one list submitted by Chunqua included only those three items—the three commodities constituting in 1801 about 90 per cent. of the value of the Company's imports from England, and realizing Tls. 2,334,227; at the rate of 3 per cent. (which was the rate in later years) the Company would be subjected to a further loss of Tls. 70,000 on goods which were already sold at a constant loss of 3 per cent. on the invoiced cost f.o.b. and about 20 per cent. on the laid down cost. The Chinese merchants further declared that

woollens had been previously exempted from the levy because it had been proved that the loss on them [to the merchants] was very frequent and almost certain, and had sometimes amounted to 15, 20 or 25 per cent.

The merchants had not the courage to refuse compliance, and came to an agreement to pay on the entire list of 294 items, including the woollens; and, on a strong protest being made by the Committee, Puankhequa declared that,

if any Merchant had buoyed us up with a hope that it was in his, Puankhequa's, power to suppress a correspondence with Government, he had most grossly misled us—as his situation, his duty to his superiors, and the immutable Customs of the Country absolutely forbade his concurrence in so perilous an undertaking, and that however his interests might be affected by the establishment of a Consoo duty on the objectionable articles in which he had so large a share, they were put to an infinitely more imminent risk by complying with what was now solicited of him. . . . He could only persevere in his uniform advice to enter into no negotiation while the present Hoppo remained in Office.

The new Hoppo arrived only ten days later, on November 18th,

at which time the Old Hoppo resigned the seals of his Office, and it gives us infinite uneasiness to notice that he finished his oppressive career by the sudden issue of an Edict bearing date the 16th Instant commanding the Merchants to assess the 294 new Articles in their future Collections of Consoo Charges.

Mr. Hall now threatened Chunqua with entire exclusion from the Company's business if he did not take steps to undo the mischief arising from his proposal to tax woollens; and on December 3rd sent to the Hoppo a memorial on the subject, which had been put into Chinese by Sir G. T. Staunton. An answer was received on the 11th

favorable to our views and we are at length relieved from any further anxiety on the subject of the Consoo duties upon Woollens, Long Ells and Camlets and the remainder of the 294 articles newly assessed.

The Hoppo declared that he had great pleasure in rescinding the unjust and erroneous decision of his predecessor, which he was enabled to do because it had not received the Emperor's sanction.

The Court of Directors were much concerned at the illegal 'smuggling' of camlets to Canton, i. e. the unauthorized conveyance in the private trade and the country trade of a com-

modity which was a monopoly of their own and which formed part of their own regular trade. In this season 1801 the Company's own import of camlets was 11,872 pieces, sold for Tls. 270,706; and for the season 1803 the Committee indented for 12,000 pieces in order to cut under the illicit trade. In the season 1801, according to information supplied by the linguists, there were imported at Canton 7,861 pieces in the private trade on Company's ships and 874 pieces in country ships, all English camlets; and American ships imported 1,903 pieces of English and 494 pieces of Dutch, and Danish ships 278 pieces of Dutch camlets. It was this trade that the Court wished to cut under.

Ternate[1] capitulated to the British naval forces on June 21, 1801. From Amboyna the Canton Committee again received a consignment of spices, consisting this year solely of cloves, sent as a means of obtaining supplies. In the invoice there are unexplained fractions of the dollar as shown below:

Cloves, 103,360½ lb. Eng. cost Rix Dollars 9,610·445	= Sp. Dolls		7,208·5
Charges: Freight to Canton & back, Sa Ra 30,000	=	14,062.12.8	
Cooly hire & shipping charges		37. 9.7	
			14,099.22.5
Spa. Dolls.			21,308. 1.9

The highest cash offer, made by Mowqua, was 80 dollars per picul; but in consideration of receiving the order for nankeens, sugar, and tea indented for from Amboyna, he agreed to give 85 dollars, thus realizing a total of 60,535 dollars, showing a profit of 184 per cent. on the laid down cost. This was returned to Amboyna as follows:

	Dollars.
in goods	28,863
in silver	23,668
in bills on Amboyna	8,004

Among the silver was included an amount of 15,000 rupees received from St. Helena, having only a bullion value at Canton, whereas the Spanish dollar at the moment commanded a premium of 14½ per cent.; they were sent because the Committee is informed that the Rupee passes in currency at Amboyna for 2*s.* 6*d.* Sterling or 30 Stivers Dutch Money.

[1] Cf. *antea* p. 291.

The ballasting of the ships homeward bound was a matter of some importance. Some ships had their full quantity of iron kentledge and were ready to receive directly their flooring of Bohea in chests of about 250 catties, half chests, and quarter chests; thus the

Boddam (1,021 tons) took Bohea, 140 whole ch., 200 hf. ch., 100 qr. ch.
Nottingham (1,152 tons) took Bohea, 230 whole ch., 200 hf. ch., 100 qr. ch.
Adm. Gardner (813 tons) took Bohea, 145 whole ch., 200 hf. ch., 100 qr. ch. but, the Kentledge being insufficient, required further 500 piculs (30 tons) of pearl shell shot in.
Lord Duncan (830 tons) having only 30 tons of Kentledge, took 1,200 piculs (71 tons) of tutenague to make up her chartered dead weight of 101 tons.

By the charter-party of the *Elizabeth* (600 tons) the Company was 'bound to lade on board that ship 203 tons of sugar, saltpetre or other articles of deadweight'; but saltpetre was not exported from Canton, and

of Articles the produce of this Country coming under the denomination of dead weight we can select none except Sugar which although specified in the Charterparty the Hon'ble Court could never have intended should be sent from China without special orders for that purpose. . . . It has been an invariable practice to put on board of every Ship a quantity of Bohea which originally was doubtless partly intended to serve as Ballast, tho' latterly it has been applied to the purpose of securing a safe and adequate flooring for the finer Teas.

The Committee accordingly decided, the Company no longer shipping chinaware, to fill up the required 203 tons on the *Elizabeth* with Bohea; but if the commander could obtain kentledge, they would substitute Congo for a portion of the Bohea.

The commander of the *Admiral Gardner*, mentioned above, having 28 guns for armament, applied, as the ship was crank, to strike two of them into the hold—

I shall then have left mounted 20 Twelve Prs. and 6 Six Prs. which are more than I can man effectually, having had 10 of the men impressed at Madras.

The Committee, considering that the *Windham* (820 tons) and the *Lord Duncan* (830 tons) were each required to mount 26 guns only, gave permission as requested.

There are two instances of the liberality shown in regard to the private trade of commanders and officers of ships, in the case of two ships from India loaded for London.

Made the following payments:

Capt. T. Graham as per Company's orders £8,000 @ 5*s.* 6*d.* for provision of homeward bound Investment for self & Officers of Ship *Windham* Hd. Dolls. 29,091

Capt. G. Saltwell do. do. for self & Officers of Ship *Lord Duncan* 29,091

The edict against opium published in December, 1799, was reported by the Committee in January, 1802, to have apparently had

an effect within the River but does not reach in its influence to Macao, where the Opium Trade is carried on by the Portuguese on an extensive and uninterrupted Scale and is the principal source whence we draw our Supplies of Bullion for Bills upon Bengal.

At a later date, March 29, 1802, they further reported—

The consumption of Opium has no doubt greatly encreased, notwithstanding the prohibitory regulations of this Government. About 15 years ago the importation was estimated at 2,000 Chests annually, and since that period, when the price was moderate, has on several occasions amounted to 4,000 Chests, but on the diminution of the culture, and the limitation of the Sale at Calcutta, the consequent enhanced price as well to the first purchaser in Bengal as to the consumer in China reduced the amount to 3,000 Chests, which may be considered the present demand at this market.

With the Hong Merchants there were some difficulties in this season. Conseequa being, perhaps, embarrassed in his affairs by the heavy fine imposed on him in the previous season, refused to fulfil some of his contracts with Mr. Gregory Marcar Baboom, who, after making the contracts, had returned to India. One contract was for pearls to the value of 100,000 dollars to be imported from Madras; for this he appointed Mr. Charles Mackinnon his agent. Conseequa refused to recognize Mr. Mackinnon in the matter, as he had other contracts with Mr. Baboom, who on balance of account was still indebted to him; moreover the pearls had been invoiced at 'extravagantly high' prices.

The Committee observing that the other contracts, on which Mr. Baboom still owed money, and a promissory note for 42,014 dollars signed by Mr. Baboom, all bore dates prior to that of the contract for pearls, refused to intervene in the business.

While this matter was still under discussion Captain George Seton, of the country ship *Mysore*, wrote complaining that Conseequa was detaining and refusing to account for 500 piculs of tin and 1,500 piculs of pepper, part of the cargo of his ship, which had been sold to Conseequa by Mr. G. M. Baboom acting as his agent; payment for these was to be made in camphor at market rates, but Conseequa refused to deliver the camphor or to return the tin and pepper, until Mr. Baboom should first have liquidated his account. There was correspondence and an investigation over long hours of many days, and, as the Committee could not agree, the dispute was referred to the Court of Directors for their decision. Mr. Hall held that Captain Seton had shown gross carelessness in vesting Mr. Baboom with the power of an agent and in delivering his goods to Conseequa without proper security; and, on the other side, that Conseequa's conduct deserved 'a most pointed condemnation'; but on the whole that Captain Seton must claim against Mr. Baboom. Mr. Peach held that, whatever opinion Conseequa had of the ownership of the goods at the outset, he was soon correctly informed of Captain Seton's rights, and should be required to act in conformity with that later knowledge. Mr. Drummond held that, as Mr. Baboom had disposed of the goods in his own name and as being his own, Conseequa had therefore a right to act in accordance with that sale; and that Captain Seton was by his own carelessness debarred from claiming against Conseequa.

Ponqua[1] was in money difficulties, and in May, 1801, executed a deed transferring his interest in the winter tea contracts to Mr. Thomas Beale (60,000 dollars), Captain John Hamilton (30,000 dollars), and Mr. Robert Money (2,985 dollars), the last named being the manager of the Company's House of Agency. In December following other claimants came forward, but it was resolved at that time to permit no further transfers on his account. Toward the end of January, 1802, on the approach of

[1] Cf. *antea*, p. 283.

the Chinese New Year, the Hong Merchants asked for some advance in silver, and

> the state of our Funds admitting the required assistance, we resolve to divide among them 200,000 Dollars, with the exception of Ponqua and Gnewqua, whose embarrassments we are concerned to observe preclude the propriety of including them in the proposed indulgence.

As silver dollars would, in the last few days of the Chinese year, command a premium of between 20 and 30 per cent., this was a serious blow to the two embarrassed merchants; but a few days later, on February 2nd, the last day but one of the year, they each received a cash advance of 5,000 dollars, on the security of the measurage fees of two recently arrived ships for which they would be the Security Merchants. In March they had some woollens assigned to them; and in May, Ponqua having delivered 4 chops, 2,640 chests, of Congo value about Tls. 30,000, the Committee

> agreed to pass to his account a transfer of Tls. 19,661 in liquidation of his Balance and to enable him to deliver the above Teas; and to transfer to the credit of Mowqua from Ponqua's account the sum of Tls. 10,000 which the former had paid the Hoppo at a time when Ponqua was in great distress and incapable of discharging his Duties.

Also, against other deliveries of tea, Ponqua was assigned the lead by two ships, and Gnewqua the tin by one ship.

Vice-Admiral Peter Rainier, commanding the naval forces in Indian waters, wrote from Madras, July 14, 1801, in reference to the *Providence* affair:

> Your Zealous and indefatigable exertions notwithstanding the protracted obstacles and perplexities thrown in your way by the venal & intriguing Spirit of the different Orders of Mandarines, in effecting and establishing the necessary accommodations for H.M.'s Ships touching at China, wherein your Official interference with the Viceroy of Canton was recurred to, merit every commendation and am well assured will be again readily called forth when occasion requires. The favorable reception of Captain Dilkes's Memorial, with the Tsontoc's remarks thereon, I conceive to be principally owing to the very favorable impression your general wise and prudent conduct must have produced on the mind of the Viceroy of that Court. With regard to the case of the Chinese being fired upon and wounded by one of the *Providence's* Crew, altho the frequent thefts of these People in which they are so peculiarly dexterous would deservedly expose them to an act of that kind, yet I have heard it remarked that as [? had] the man died, in

consequence of the wound he had received, it would be doubtful whether the Seaman would have been acquitted had he been tried by an English Jury. . . . Captain Dilkes not having been placed under my Orders, is responsible only to the Lords Commissioners of the Admiralty for his inattention to your representations.

He added that he would give orders that the commanders of any of H.M.'s ships visiting Chinese waters should 'avoid every measure that can give offence to that jealous and suspicious Government'. On the subject of the Chinese law the Committee were enabled, by Sir G. T. Staunton's knowledge of the language, to send to the Court of Directors a translation of the 69th chapter, in the 17th volume, of the Ta-tsing Hwei-tien, the Institutes of the Tatsing Dynasty.

Whenever a wound has been given to an individual who survives the same, the Magistrate of the District shall visit him in person to ascertain the Fact and shall not order him to the tribunal for examination. The Fact being duly proved, certain limited periods shall be observed according to which the eventual Guilt of the Offender shall be determined. Namely

A period of twenty days where the blow has been struck by the Hand or Foot or otherwise bodily given.

A period of thirty days where the injury has been sustained by a Sharp Instrument, Fire or Water.

A period of fifty days where the body has been mangled, the bones or the skull broke, or the Sufferer prove to be a Woman with Child.

If Death issues from the wound within a period limited as above the Life of the Offender is forfeited being deemed guilty of Murder. But in case Death does not insue from the wound until after the expiration of such period, or that the individual dies within the period from other causes than the wound he has received, then punishment shall be inflicted in proportion to the original offence.

An extract was also sent from the Ta-tsing Leu-lee, or New Compendium of Laws of the Tatsing Dynasty on the Criminal Law, chapter 27—

Assault and Battery. If the wounded man does not recover within the period determined by Law it shall moreover be prolonged in the following manner: Namely that if the wound is occasioned by a blow from the hand or foot or otherwise bodily given, or the Injury sustained by a Sharp Instrument, Fire or Water, an additional period of ten days will become necessary. But if the Body has been mangled, the bones broke or the sufferer prove a Woman with Child, then twenty days must be added to the former period.

The Committee further reported that the wounded Chinese lingered for some time after Captain Dilkes's departure, and then died, apparently from the wound he had received in his lungs.

Sir G. T. Staunton was the only servant of the Company having any knowledge of the Chinese language, laws, or customs; and after his departure in January, 1802, this was noted by the Committee. The Court had asked for information 'to enable the Company's Historiographer to complete a work in contemplation', and they replied—

> These subjects have and will continue to occupy our attention and be recommended to all your Servants in this Establishment; it must be obvious however that our confined Situation added to the very limited knowledge of those persons with whom alone we can have intercourse, must conspire not only to reduce our means of acquiring information, but requires also extreme caution in giving faith to what we are enabled to collect. The absence of Sir George Staunton whose general acquirements & knowledge of the Chinese Language afford frequent opportunities, and render him peculiarly capable of collecting information which might be useful to the Historiographer in the advancement of his work, will prevent any immediate communications, as we feel from the causes already assigned extreme delicacy in offering opinions which might eventually be called in question.

In 1801 the French forces, in conjunction with those of Spain, invaded Portugal, and the Court of Directors came to the conclusion that

> in consequence of this invasion and of the situation in which Portugal is placed with regard to France by that measure, there is reason to apprehend that French Ships of War destined for the attack of British & Portuguese possessions in India may appear in the Indian Seas.

It was accordingly decided to dispatch a force to support the Portuguese and assist them in the retention of Macao. Secret instructions conveying news of this decision reached the Committee on January 22, 1902, filling them with apprehension as to the effect of such an intention on the minds of the Chinese authorities.[1] The Committee realized that Macao was only nominally Portuguese, that China still claimed the sovereignty, and that the Chinese authorities would not countenance its occupation either by French or by English. On February 18th the Committee received by the packet *Antelope* a copy of the

[1] Cf. Appendix N.

Admiralty instructions to Admiral Rainier, dated July 10th, in which he was directed that the naval officer dispatched to occupy Macao was to

> communicate constantly with the Company's Chief Supracargo, and take no step whatever in respect to the nature of the assistance to be afforded the Settlement of Macao, but with the entire concurrence of that Officer.

On March 18th H.M.S. *Arrogant*, under the command of Captain Edward O. Osborn, arrived at Lintin convoying three Indiamen from Calcutta, completely armed, and each having on board 'a Company of European Infantry and a proportion of European Artillery', a force sufficient to turn them into men-of-war, under the command of Lt.-Col. Robert Hamilton. They were subsequently joined by the frigate *Orpheus* and brig *Fox*. The two commanding officers were advised by the Committee that

> unless the consent of the Portuguese is previously obtained every attempt to procure the Sanction of the Chinese Government to the disembarkation of the Troops in any part of their territory will be entirely fruitless and of no avail.

It was therefore recommended that they should wait in person on the Portuguese Governor and obtain his consent to the landing of the troops for the purpose of co-operating, under his orders, with his own forces for the defence of Macao. The two officers took this step at once, but the Governor would give no positive answer, and persisted in his 'perverseness or formality'. The ships and the troops on them remained at Lintin, technically outside the range of the cognizance of the Chinese authorities, until on May 10th the Committee were informed, in a dispatch from the Lieut.-Governor of Prince of Wales Island (Penang) dated March 5th, that in the previous October the preliminaries of peace between England and France, and their allies, had been signed. All conquests were to be restored, except Trinidad and Ceylon; and the territories and possessions of Her Majesty of Portugal were to be maintained entire. There was therefore no longer any reason for offering unwished-for assistance to the Governor of Macao.

The Chinese authorities had taken alarm, as must have been expected, at the evident intention of the English expeditionary force to occupy Macao and dispossess the Portuguese, being

inspired thereto by the intrigues and misrepresentations of the latter. On May 22nd the Committee wrote to the Secret Committee of the Court of Directors:

> It will forcibly strike the Hon'ble Committee that an Expedition which might eventually have operated to the advancement of the Interests of every European Nation in China (If the negotiation had been conducted with honor and good faith on the part of the Portuguese) might have terminated most fatally, had not the fortunate conclusion of the war restored an apparent confidence to the Chinese Councils, and induced them to desist from persecutions to effectuate the removal of our Ships and Troops, notwithstanding the solemn assurances of the rectitude of our intentions corroborated by our conduct on every occasion, and the designs of the Enemy being equally manifest. . . . We detained the *Antelope* until hopes of success to obtain the admission of our Troops had disappeared ; convinced at length that private enmity and French principles had completely surmounted public duty and National considerations and that no concessions were to be expected without the previous sanction or positive orders of the Captain General of Goa we dispatched her to Bengal on the 8th of April,

and urged the Governor-General to obtain explicit orders from the Portuguese Captain-General, should the projects of the French be still manifest. On the intrigues of the Portuguese they declared, in commenting on a secret report of the Heungshan Hien, that

> we never contemplated a conduct so thoroughly atrocious, nor did we deem it likely they would venture on any insinuations in writing, whilst it may be presumed however that their base and unfounded calumnies and verbal remarks and accusations would have equally tended to the injury of the British Character and Interests, we may be permitted to rejoice that the authentic proofs of their perfidious behaviour will enable the Hon'ble Committee to obtain more readily and effectually the punishment of those who have had the temerity to act in a manner so unjustifiable, and whose sole aim has been the humbling of the British Name and injury of their commercial Interests in China.

The Chinese Viceroy seems, on the whole, to have shown statesmanlike qualities ; but his conduct was at times self-contradictory and inconsistent, which is to be explained by the facility with which Chinese of high rank have always been influenced by the emotional or interested representations of their own subordinates.

It is well however that he has proved himself not only a man of strict integrity and impartiality but also of a mild disposition and temper, and possessed of less hauteur and prejudice than the generality of his Countrymen ; tho' after his frequent messages thro' Puankhequa and his desiring the Ships and Troops might not be withdrawn, or at least tacitly assenting to their continuance here, there appears a degree of Duplicity and inconsistency which can only be accounted for by supposing the representations of the Portuguese had produced the most firm conviction of the treachery of our designs. Shortly after the President's return to Canton it was deemed absolutely requisite to attempt the refutation of the fabrications of the Portuguese and to remove the evil impressions it was obvious they had produced on the minds of the officers of this Government for which purpose a full clear and explicit declaration of the intentions of the British Government accompanied by the most unequivocal assurances on our part of no offence being either intended or given to the Chinese Government was prepared, and . . . we were induced to add our determination not to land the Troops at Macao without permission previously obtained.

This declaration produced a momentarily good effect ; but the intrigues of the Portuguese continued, of all of which the Committee had written evidence ; and bad results might have resulted had not a Spanish frigate arrived, on April 29th, with official news of the cessation of hostilities. This solved all difficulties ; but the change in the monsoon delayed the departure of the troops, who were finally dispatched, to return to India, on July 2nd. The interpreter, through whose exertions the Committee obtained their written proof of the Portuguese intrigues, was rewarded by a sum of two thousand dollars, which was charged to ' secret service '.

APPENDIX N

January 22nd 1802. CONSULTATION

Assembled to open a Paper packet received per *Elizabeth* addressed

Secret

To the Select Committee of Super Cargoes at Canton.

per *Elizabeth* Q.D.C. } To be destroyed in case of Danger from an Enemy, but not until the last extremity.

Containing the Honble Secret Committee's Instructions Letter of the 4th August 1801.

It does not appear after the most attentive consideration of the foregoing letter that this Committee is required to take any active steps to obstruct the views of the French, should they ever meditate an attack on Macao, until the arrival of some of His Majesty's Ships of War or of land forces from India—the importance of the undertaking therefore, and the dangerous consequences that may result from an attempt to obtain possession of Macao whether by negotiation, and with the consent of the Portuguese, or by force of arms and in opposition to them, determines the Committee on no consideration to enter immediately on so delicate a Subject unless the appearance of a French force should render opposite and more decisive measures necessary. The very rumour of such a plan being in agitation would have the most pernicious effects. The jealous temper and disposition of the Chinese is too well known to doubt the justness of this observation, and of the proneness of the Government to credit reports against the English Nation, we have a most convincing proof, reported by the late Sir George Staunton, in the affair of the Rajah of Nepaul; when without the smallest foundation it was asserted by the Commander of the Troops, and by many believed, that Men with hats had engaged in the support of the Rajah, and aided him in his attack on the Chinese. The vicinity of the English territories on the side of Thibet, their numerous Conquests and Victories in Bengal, and recently the Conquest of Mysore have all more or less tended to produce in the minds of the Chinese a dread of the English Nation, and impressed them with an idea of their aiming at universal Conquest in the East, which has no doubt been aggravated by the malicious reports of the Missionaries at Pekin, of whose inimical

disposition to the English Interests we believe Lord Macartney had but too much reason to be convinced. The exact tenure on which Macao is held by the Portuguese cannot at present be known as the original grant is supposed to be lost; it may nevertheless be presumed that the Chinese will never admit of its transferrence to any other nation; the peaceable disposition and little resistance they have to apprehend from its present possessors, they are fully sensible of, and would be [? dis-] inclined to expose themselves to the danger of experiencing any diminution of that obedience they have for so many years invariably expected and so uniformally received from the Portuguese. We must readily concur in the Sentiments of the Honble Secret Committee that the possession of Macao, or any other settlement on the same humiliating conditions as held by the Portuguese would be the likliest means to involve us in disputes with the Chinese, but we will even venture to extend our views still further and suppose an independent grant of Macao as mentioned by the Honble Committee could be obtained, & hesitate not to declare that in our opinion the same dangerous consequences might result to the interests of the Company and the State, for Macao altho' capable of being placed in a State of defence to repel attacks by the Chinese, or any European Nation, possesses no convenience of harbors for the admission of our Ships—and the Trade must consequently continue to be conducted at Canton, or at some other port that could receive them. It follows therefore that the Company's Servants and the Trade would remain in the present fettered and dependent State—a heavy expense would be incurred, by supporting a proper Garrison for the defence of Macao, and the death of a Chinese subject either by accident or otherwise would embroil us with the Government, interrupt and stop the English Trade at Canton, which a similar circumstance would not occasion whilst in the hands of the Portuguese, or any other Nation.

A free and independent Grant of a tract of Land, or an Island possessing the advantage of a Harbor capable of receiving our large Ships sufficiently fortified to resist foreign attack; and where protection could be afforded to the Chinese willing to espouse our cause, and to bring their Goods for Sale at the hazard of offending their own Government, might answer the end the H'ble Secret Committee have in view, but Settlements similar to Macao would we think have a very opposite tendency—and we must earnestly deprecate the adoption of any measure, whether on the part of the Most Noble the Governor General, or the Government at home which may give occasion for umbrage to the Chinese, and tend to confirm the unfavourable Sentiments we are but too apprehensive they already entertain relative to

the restless and intriguing temper of the English Nation. Whilst we continue to possess a superior and commanding Navy, we are little fearful of being able to counteract any plan the French can meditate against the China Trade—Should Macao even be ceded to them, it is in no manner probable the Chinese will consent to their retaining it—the consequence would be every supply must be cut off and the necessaries of Life procured from foreign Sources, which our Ships of War might easily prevent. And even the convenient position of Manilla might be of little avail, for whilst the Spaniards are sensible of the great benefits derived not only by that Colony from the Trade to China and they remain in a state of independence no cordial co-operation can be expected from that Quarter, and tho' the French influence may so far predominate as to compel a Loan of their Ships, the assistance will prove ineffectual unless manned by Spanish Subjects which they will scarcely be induced to admit of, at the evident risk of losing a very valuable Commerce and the numerous advantages they at present enjoy.

In the event of troops being sent to Macao notwithstanding our own Sentiments lead us to entertain the highest opinion of the Justice and Moderation of Great Britain, it will forcibly strike the Honble Committee that innumerable difficulties will be experienced in convincing the Chinese of the purity of our intentions, and if the design of attacking Macao, or any other part of China should be relinquished or never adopted by the French, we cannot surrounded as we are by Secret and avowed Enemies be too cautious, lest the malicious and exaggerated reports which will no doubt be fabricated and zealously propagated should leave impressions on the minds of the Chinese prejudicial in an extreme degree to the Interests of our Nation—Under the circumstances and doubtful as we are also from the Communications of the H'ble Secret Committee of any positive intention, on the part of the French to an unprovoked attack on a Nation so remote, and with whom they have lately had little, or no intercourse, and which would effectually exclude them from all future participation in a Trade so evidently lucrative (unless obtained by Conquest) we think no negotiation ought to be commenced that may perhaps ultimately tend to give to our Enemies the Advantages the Hon'ble Committee as well as ourselves are so solicitous of preserving to the Company and the English Nation.

Should a Naval force alone be sent this object will we are of opinion be completely attained, because we shall earnestly recommend to the Commanding Officer to preserve the most inviolable secrecy and on no account to give room for the Slightest Suspicion of the motive of his visit to China and shall

further oppose by our advice his entering on any negotiation with the Portuguese except in the event of an attack by the French, when we might offer ourselves as auxiliaries to the Chinese to assist in their expulsion. We had an additional motive in determining on this delay from the cooperation we have reason at any time to expect should it be required from the Governor of Macao Sr. José Manoel Pinto, whose attachment and favorable disposition to the English, we have had frequent occasion to remark.

The Hon'ble Secret Committee may place the firmest reliance on our vigilance and Zeal to prevent any bad Consequences ensuing either to our Commerce by attack from the French, or to the Interests of the Nation from the Jealousy of the Chinese and altho' our conduct will not be governed by timid or selfish motives, we should justly expose ourselves to their displeasure and reprehension if we were actuated by rashness, or a spirit of too great independence, and thereby endanger or totally forfeit the advantages derived from this very valuable Trade.

Having no information of sufficient importance to communicate to the Hon'ble Secret Committee, to render it necessary to despatch the *Elizabeth* singly, and being in daily expectation of the arrival of our direct fleet, we deem it more prudent to detain the Ship and despatch her either in Company with the *Ganges*, or attach her to these Ships, if we make only [one] fleet.

As former experience gives us reason to Expect the Ships of War, destined perhaps to remain off Macao for many Months, will require considerable pecuniary assistance we resolve to reserve in our Treasury a sum adequate to meet those Demands—and any other contingency to which we may be exposed.

J. A. DRUMMOND.
SAM. PEACH.
GEO. SPARKES.

February 18th. 1802. CONSULTATION

ADMIRALTY TO VICE-ADMIRAL RAINIER

Secret.

Admiralty Office
10th July 1801.

SIR,

I enclose to you herewith the copy of an instruction of the Secret Committee of the Court of Directors to the Governor General relative to the Steps to be taken in consequence of the State of affairs in Portugal. By the Accounts received yesterday

it is understood that the French Government had refused to ratify the Treaty which had been agreed upon between Spain and Portugal, and that it was probable hostilities would again commence, but whatever may be the issue, their Lordships have no doubt of the propriety of your taking every proper measure for frustrating the Plans which may be meditated by the Enemy, prejudicial to the interests of this Country, not only in India, but in China: with a view to this object, and to prevent the Serious Consequences that would result from the Enemy dispossessing the Portuguese of the occupation of Macao, their Lordships judge it indispensably necessary that two Ships of the Line should be sent thither with as little delay as possible for the purpose not only of protecting the Company's Ships and Trade, but of affording any assistance to the Portuguese Government there, that the circumstances may be found to require.

The knowledge you must have acquired of the precarious tenure on which the Settlement of Macao is held by Portugal, and consequently of the extreme delicacy to be observed in all proceedings which are in any degree connected with the Chinese Government, will, their Lordships are persuaded induce you to Select the Officer for the Service on whose discretion and judgement you can most rely; and in your instructions to him, you will endeavour by every argument your prudence can suggest to impress on his mind the necessity of his conducting himself in such a manner as to prevent as far as may be, the possibility of any umbrage being taken at his proceedings by the Chinese Government, that he should communicate constantly with the Company's Chief Supracargo, and take no step whatever in respect to the nature of the assistance to be afforded the Settlement of Macao, but with the entire concurrence of that officer. As a vessel will immediately be despatched by the Company, you will receive by her instructions more in detail. In the meantime their Lordships feel confident that you will prevent, as far as may be practicable the execution of any plan the Enemy may meditate, that may appear prejudicial to the Interests of the Country within the limits of your Command.

I am Sir etc.

(Signed) Evan Nepean.

On the arrival of the *Elizabeth* we were doubtful whether the Naval force destined for the protection of Macao, and the Trade of China was to be sent from England, or India, it is now ascertained that we may expect them from the latter: and unless, the Honble Secret Committee, or the Government of India should be in possession of any positive information relative to the plans

of the Enemy which may satisfactorily prove an intention of attacking Macao, or any hostile operations against the Chinese, we again repeat, that we trust these Ships will not be accompanied by any Troops—The H'ble Committee will rely on our implicit obedience to their orders, and of our efforts to carry into execution any measures that may be deemed expedient to defeat the plans of the Enemy against this Trade.

Not perceiving that any advantage can be derived by detaining the *Antelope*, we shall return her to Bombay as soon as Captain Tucker has completed some necessary repairs which the Vessel requires, and procured an adequate supply of Provisions.

JAMES DRUMMOND.
SAM. PEACH.

The President and Select Committee
Of the Honble East India Companys Supra Cargoes
Canton.

GENTLEMEN

I am very much disappointed in not finding that either the *Orpheus* Frigate or the Honble Company's Ship *True Briton* have yet arrived here, as the first was sent on in an early stage of our passage hither, and the latter subsequently, with all despatches and Duplicates to your address from the Governor General of India and others, and also to give you information of the approach of His Majesty's Ship *Arrogant*, with those of the Honble Company (*Dover Castle*, *Asia*, *Rainier*) under Convoy, the latter having a considerable Detachment of Troops on board from Calcutta intended for a Secret Service, with which I hope you may be already acquainted by the arrival of a Packet from England or some other Channel of Intelligence. Lest that should not be the case I beg to make known to you all the particulars with which I am acquainted relative thereto—So far as regards His Ms. Ships under my orders I beg to refer you to the Extracts from My Lords Commissioners of the Admiralty's directions to me on the subject, transmitted herewith, by which you will observe that my services are to be particularly guided by your concurrence, and that the greatest delicacy and conciliation is recommended in all instances wherein the Chinese are in any way concerned even to any measures respecting Macao. All the other information in my possession on the subject is contained in the Copies of the letters from the Secret Committee of the Honble Court of Directors, to the Governor General of India which I've also transmitted to you.

The Lords Commissioners of the Admiralty being aware of the precarious terms on which the Portuguese hold the settle-

ment of Macao, and the fatal consequences that would result to our Trade with China should any of our Measures occasion the least offence to the Chinese, have therefore directed me to conduct myself in such a manner as may prevent as far as may be, the possibility of any umbrage being taken at any of my proceedings, by the Chinese Government and for the better prevention of the same, have directed me to take no step whatever, in respect to the nature of the Assistance to be offered to the settlement of Macao, but with the entire concurrence of the Companys Chief Supra Cargo.

From the little knowledge I possess of Chinese Politics, it is impossible for me to form any judgement how the present measure will operate, it being so very intricate in its nature, and so critically connected with the Chinese Government, whose jealousy and suspicion on all occasions, is insurmountable, however I trust with the information you possess of the Chinese Policy, and the high Character in which the British Supra Cargoes are considered by them, that you may by your judgement and mediation on the occasion be able to accomplish a cordial reception for us both from the Chinese and Portugueze at Macao, to assist in strengthening that Garrison against the Enemies of the latter, should this be assented to by them, all difficulties will be done away, and the supplies necessary for the Ships and Troops easily procured. But the evil consequences lie in our overtures being rejected. Supplies must be obtained some where particularly fresh Water, and I do not know of any place in the vicinity of Macao except Lintin Island where *Large Ships* can procure it in any quantity, or lay in safety all the time. But as my communication with the Shore under the present circumstances, the Ships are under, may perhaps give umbrage to the Chinese before their permission is obtained for the purpose, I shall avoid as far as in my power any intercourse therewith until I hear from you, but you must know that a Supply of Water cannot long be delayed.

I do not like suggesting difficulties or evils, but it may happen that the Chinese and Portugueze may positively reject the succour offered, of the English Troops, to assist in strengthening the Garrison of Macao; in which case it may be deemed expedient to send the Troops away immediately; on Account of the ruin which might ensue toward Chinese Trade, by giving the Chinese Government any Offence—I have no doubt but the Troop Ships as well as the Ships of War, have sufficient Sea Provisions on board for their return to India, provided they sail in time to effect their passage down the China Sea, before the change of the Monsoon, but the consideration of this, as well as of all other points must await your Opinions and Council.

I am unacquainted with the Orders that the Commanding Officer of the Troops, on board the Honble Company's Ships is under, but concluded they are of the same tendency with my own and that he has communicated their purport to you; that Officer as well as myself will no doubt, be very anxious to hear from you immediately, as of course no steps whatever can be taken, till your intention and decision on this momentous business are made known.

The length of time we have been on the circuitous passage to China has exhausted all our fresh Provisions, and the Men are sickly and in great distress. I do not know if either of the Gentlemen of the Factory are employed by Mr. Cochrane, the Navy Agent and Contractor in India, to furnish the Ships of War touching at this place, with Provisions; should there be one may I take the liberty of requesting you, to desire his attention to supplying the *Arrogant* with some Bullocks and Greens, as soon as possible and in case of no person being so employed, may I solicit as a favor that you would order a temporary supply to be sent until I may be able to adopt some plan, for its being done in a regular way. I should not take the liberty but the Scurvey is making havoc amongst us daily and I well know that all transactions with the Chinese, regarding the Ships of War, is attended with much perplexity and delay, and I do not wish to allow of any intercourse with the Shore until I hear from you.

The Ships are now at Anchor near Lintin Island, and I have learned by a boat from the *Lion* that the *Antelope* Packet has lately arrived here from India, by which I hope you may have heard of our Approach.

I have the honor to be etc
Signed
ED. O. OSBORN.

His Majesty's Ship
Arrogant
Near Lintin Island
18th March 1802.

The enclosures are Copies of the Honble Secret Committees letter to Gov. Genl. 8 July and the following Extracts from Orders of Capt. E. O. Osborn, of the *Arrogant* as under relative to Macao and China from the Lords of the Admiralty.

First. To take every proper measure for frustrating the plans which may be meditated by the Enemy, prejudicial to the Interests of England not only in India but in China and to assist and protect the Company's Ships and Trade.

Second. To prevent the Enemy from dispossessing the Portugueze of the Occupation of Macao, and to afford every assistance

to the Portugueze Government at Macao that the circumstances may be found to require.

Third. To consider the precarious tenure on which Macao is held by the Portugueze and consequently of the extreme delicacy to be observed in all proceedings which are in any degree connected with the Chinese Government and to act in such a manner as may prevent, as far as may be, the possibility of any umbrage being taken to any proceedings respecting the same by the Chinese Government—To communicate constantly with the Company's Chief Supra Cargo and take no step whatever in respect to the nature of the assistance to be afforded to the settlement of Macao but with the entire concurrence of that Officer.

To James Drummond Esq.
President &ca Committee of Supra Cargoes
Canton.

Gentlemen,

1. By a despatch from the Honble Governor in Council of Bombay, I have received the Copy of a latter addressed to you by that Gov[t] upon the subject of the advices lately received from Europe respecting the convention supposed to have been concluded or to be in agitation between the Government of France and Portugal.

2. The letter & its enclosures addressed to you by the Government of Bombay contain all the information which has hitherto been received relative to that important event and its probably consequences. I shall not therefore repeat the communication contained in that despatch, but to preclude the embarrassment which would arise from the loss of the Packet or from any delay in its arrival, I enclose attested Copies of the several Documents which composed it.

3. His Excellency Vice-Admiral Rainier in conformity to the instructions transmitted to him from his Majesty's Ministers will certainly appoint a Naval Force for the purpose of protecting the Settlement of Macao from any attempt on the part of the Gov[t] of France to gain possession of it, and with a view to add to the strength of the Naval Armament that will be employed on that Service I have directed that the Honble Company's Ships the *Asia* and *Dover Castle* be completely armed and equipped and ordered to join his Majesty's Ships in the Chinese Seas; I have also directed that a Company of European Infantry and a proportion of European Artillery be embarked on each of those Ships for the purpose of serving on board them as Marines and Gunners, or of acting on Shore at Macao as occasion may require.

I have requested his Excellency the Vice Admiral to direct the Naval Officer who may be appointed by him to Command the squadron employed upon this Service to communicate with you and with the Governor of Macao, respecting the most effectual mode of providing for the protection & Security of that Settlement; and I rely with Confidence on your approved zeal for the Interests of the Company and your knowledge of the state and condition of Macao as well as of all other points connected with its local situation, to afford the Commanding Officer of the Naval Armament such information as may be necessary to regulate his Operations. I have addressed a letter to his Excellency the Viceroy of Goa requesting him to transmit instructions to the Governor of Macao directing that Officer to concert with you and His Majesty's Naval Officer, the best means of providing for the defence of Macao. But I request that without waiting the arrival of these instructions, you will immediately on the receipt of this despatch, communicate to the Governor of Macao the certain information of an intended design on the part of the French Government to make a descent upon that Colony and urge him to employ his exertions in placing it in the best possible state of defence, which the resources of the Settlement may admit; informing him at the same time of the measures adopted by the British Government to assist in its protection. It is desirable that the Governor of Macao should admit a reinforcement to the Garrison of British Troops or a detachment of Sailors, trained to the use of Arms and the management of Artillery, if such a force can be spared from the Squadron.

4. It will be your peculiar duty also to guard against the effect of any jealousy or suspicion which the Chinese Government might entertain of the preparations and measures adopted under this despatch. With a view to that important object it may be proper that you should state to the Superior Officers of the Chinese Government at Canton the necessity of providing against the establishment of the French in Macao, not only for the purpose of securing the Commercial Interests of the British and Portugueze Nations in that quarter, but for the preservation of the benefits which the Chinese Government derives from its commercial intercourse with those Nations; Advantages which would be totally annihilated by the establishment of a power, destitute of the means of maintaining a Commercial intercourse with China, and actuated in the projected attempt against Macao solely by a design to injure the Interests of the British Nation through the Channel of its Trade to China. You might also intimate with effect, the dangers to which the Interests of the Chinese Nation would be exposed, by the approach of any one acting in support of the ambitious and encroaching Spirit of the

French Nation; and you might represent the imminent peril to which the tranquillity and independence of the Chinese Gov[t] would be subject were France to be successful in securing an establishment upon the Island of Macao.

5. Much must be reserved to the exercise of your discretion in selecting that mode of conducting the defence of Macao, which shall embrace the two important objects of effectually excluding the French from the Possession, and of conciliating the mind of the Chinese Government. I rely with confidence on your discernment and ability to pursue the most advisable course; and under this impression I am persuaded, that, Vice Admiral Rainier will issue particular directions to the Naval Officer, commanding in the Chinese Seas to take no steps whatever for the defence of Macao without your Advice and concurrence.

6. I desire that you will transmit to me the earliest Information respecting the State of the Portuguese Establishment at Macao, the Military defences of that Settlement, and of the plan of Operation adopted for its protection against the expected attempts of the French Nation.

I have the honor to be
Gentlemen
Your faithful Servant
WELLESLEY.

Benares,
20th November 1801.

COMMITTEE TO CAPTAIN OSBORN

. . . . . .

Had the protection on the present occasion, which we must confess we confidently relied on, been confined to Ships of War it would have been in our power to have suggested some Satisfactory apology to the Chinese for their remaining in the Vicinity of Macao, and such a force might have been sufficient to repel any predatory attack of the Enemy either singly or combined with the forces of Spain and France.

The arrival of the Troops has however totally deranged our plans, and rendered it quite impracticable from the publicity which has already attended the measure to conceal the intention from the Chinese Government; it only remains for our consideration therefore in concurrence with you to pursue those measures that will be the least likely to produce the fatal Consequences we had reason to apprehend from acting in opposition to this very jealous and suspicious people, and which may appear the best calculated to carry into effect the intentions of His Majesty's Ministers and The Most Noble the Gov. General.

If we entirely confided in our judgements we should recommend the immediate return of the Troops, and solicit your remaining with the *Arrogant* and *Orpheus* whenever she may arrive, either at Lintin or some other convenient Anchorage or propose your occasionally cruising as far as St. Johns, or some of the Islands to the westward where in the event of appearance of the French our Advices might reach you expeditiously, and which conduct would effectually remove the distrust that Ships of War never fail to excite in the minds of the Chinese.

Such a determination nevertheless, without an attempt at conciliating the Portuguese, and thro' them the Chinese at present as the Troops are here, might wear the appearance to those who are less acquainted with the Character of both these Nations of pusillanimity, and expose us to incur the displeasure of the Government and the Company, It may therefore be expedient to Submit some proposal to the Portuguese and should they consent to admit a reinforcement to the Garrison, it can only take place with the Sanction of the Chinese and will consequently remove every difficulty that can be apprehended.

Any application direct to the Government we have the Strongest grounds of presumption would be decidedly and unequivocally refused, but even admitting that we are mistaken in our conjecture for the admission of our Troops, it must become matter of reference to Pekin, the Emperor's Sentiments could not be ascertained for two, or perhaps three Months and [in] the mean while The Troops must remain on board the Ships, and probably be deprived of the regular supplies of Provisions which the Kings Ships invariably procure.

The Governor of Macao we have every reason to imagine is strongly prepossessed and favourably disposed towards the English Nation, and unless some military notions, or a point of Duty from being without orders, should prevent his acquiescence, a negotiation may thro' his influence, and by his means even without the Consent of the Senate be attended with the desired Success—and under this impression we venture to suggest the propriety should your own judgement coincide therewith of proceeding in conjunction with the Commanding Officer of the Troops to visit the Governor, and employ your best endeavours to procure his compliance to the admission of the Troops to enable him to resist the intended designs of the French to make a descent on that Colony of which the Governor General has the most certain information.

We cannot however from the knowledge we possess of the Portuguese character and the prevailing dislike of the Inhabitants with the exception of the Governor to the English Nation flatter you with the Hopes of Success the more particularly as

you may expect much opposition from the intrigues of the Bishop and Chief Judge who are decidedly inimical to the British Interest, tho' a strong motive to the Governors coinciding to the request may arise in the pledge that it is foreign to the intention of Great Britain to retain possession of the Colony after the cause ceases which now renders the proposed assistance of so much importance.

The forces must in every sense be subordinate to the Governor, and strictly obey his orders, and remain in the Forts, or Barracks in which they are stationed. These arrangements, however, will be a secondary consideration, the first and most important object is to obtain admission for the Troops which once effected every other difficulty will easily be surmounted.

Situated as we now are, and without hope of concealing the object, we do not foresee any serious objection to this attempt at negotiation ; it can give no umbrage to the Chinese if we can persuade them of the design on the part of France and they will be prevailed on to consider us as auxiliaries, but their natural arrogance and pride joined to their ignorance will oppose a powerful obstacle to our Success. We must again repeat however that unless the consent of the Portuguese is previously obtained every attempt to procure the Sanction of the Chinese Government to the disembarkation of the Troops in any part of their territory will be entirely fruitless and of no avail.

With the view of enabling you to employ every argument in your power to prevail on the Governor of Macao, and to give some consistency to his Compliance if any should be deemed necessary, we have the honor to enclose you Copies of the Minutes of Council at Bombay together with the Letters from the Governor General to the government of that Island and to the respective Governors of Damaun and Diu, and his Sanction to a Similar conduct to be observed at Macao, tho' time did not admit the Most Noble Gov. General to receive it officially may be inferred from his accepting the afforded aid from that Settlement and further to possess you with every information that may be serviceable, we transmit you the Copy of the Letter addressed by the Marquis Wellesley to the Governor of Macao, the original of which we likewise forward, and must request you will be pleased to deliver the same, and in order to pave the way to any negotiation with the Governor, Mr. Drummond who is well acquainted with that officer has written to him privately, and we should also have the honor of Addressing him publicly, but consider your waiting on him supercedes the necessity of any Such official Communication.

We shall anxiously await the result of this interview, should you in consideration of our recommendation determine of putting

the plan into execution; and altho' we are aware of the inconvenience you may be exposed to from the want of an Interpreter, the pressure of business at this moment prevents our sending any person of the Factory, but we beg leave to recommend Mr. Manoel de Souza of whose abilities to perform that Duty we have not a doubt, and as his Brother and most of his Relations are English subjects, and inhabitants of Bombay equal reliance may be placed on his fidelity and integrity.

The Commanding Officer of the Troops will be requested to attend you on this Service, if you judge it expedient, and trust he will cordially cooperate with you in every thing relating to the Public Service.

We sincerely regret that the length of time you have been on the circuitous passage to China should have occasioned sickness among your Crew; we have no doubt however that the Same person who Supplies the *Lion* will furnish you with every kind of provision you can require, and we earnestly hope similar supplies may be extended to the Troops. Mr. Money who is the Agent employed by Mr. Cochrane will use his utmost exertions for this purpose.

Perhaps if a hint could be conveyed to the Inhabitants of Macao that their Trade to Bengal hereafter may materially depend upon the issue of the present Question, it might prove a strong argument to induce Compliance and there cannot exist a doubt that if they give admission to the French, the whole of their Trade, and every supply will effectually be cut off by the Chinese Government.

We have the honor to be
etc etc etc.

Canton, 20th March 1802.

To EDWARD OLIVER OSBORN Esq.
Commanding His Majestys Naval Forces in China,
and
Lieut. Col. ROBERT HAMILTON
Commanding His Majesty's and the Honble Company's Troops
on Foreign Service.

GENTLEMEN,

Your Letter of the 23rd inst. we had the honor of receiving a little after five yesterday Evening, and regret exceedingly that the perverseness or formality of the Portuguese has protracted the Admission of the Troops into Macao.

No possible consideration but the dispatch of a most valuable fleet could have prevented our proceeding to Macao after the

receipt of the first Advices and the Governor Generals Dispatches. We had the firmest confidence from our Knowledge of the Portuguese Character that a negotiation conducted by His Majesty's and the Honble Company's officers would be attended with better Success than by any interference on the part of commercial Men. The objections made by the Governor however determined Mr. Drummond to set off for Macao the moment the present Ships can receive their Packets, and in the mean while we have every reason to assure you that the Chinese will start no difficulties to the Troops being landed provided Complaints or representations are not preferred by the Portuguese.

Should their consent be obtained the Chinese will not notice the admission of the English Troops, but we are of opinion if the Portugueze are sufficiently abject to require their permission, the same reasons which might induce the Chinese to exclude a French force would operate with them to give a decided negative to the reception of an English one.

Mr. Drummond will endeavour to be at Macao in five days, and we hope he will benefit by your Advice and Countenance in order to which we shall inform you of the probable time of his reaching that you may give him the meeting.

We have the honor to be
Gentlemen
Your obd. Hble Servants.

J. W. Drummond
Sam Peach
Geo Sparkes.

Canton
25th March 1802.

LVIII

PEACE WITH FRANCE, 1802

For the season 1802 the Select Committee consisted of Messrs. James Drummond (President), Samuel Peach, and George Sparkes. The books were opened on May 21st with the following balances :

	Tls.	Tls.
Cr. by Silver in treasury . .	41,525	
Tea in stock, 44,297 piculs	899,435	
Anchors unsold . .	10,013	
Stationery . . .	1,999	
Factory account . .	34,090	
		987,062
Dr. to Owed to Chinese merchants		744,655
Credit Balance .		242,407

In this season the Company loaded 19 ships for London, 15 Indiamen of 18,050 tons, and 4 of about 2,100 tons from New South Wales. The import cargoes realized: woollens, Tls. 2,733,951; tin, Tls. 70,682; lead, Tls. 237,858; cochineal (West Indian produce shipped from London), Tls. 13,989; total, Tls. 3,056,480. The only Indian product on the Company's account was sandalwood, realizing Tls. 92,538.

The treasury received for bills on London 1,827,322 dollars at 5*s.* 6*d.* and 365 days, and 112,310 dollars at 5*s.* 10½*d.* and 730 days; for bills on Bengal 736,370 dollars at 42, and in equal amounts at 30, 45, and 60 days; on Madras 26,400 dollars; under Bombay engagements 219,018 dollars; and for freight on cotton from Bombay 6,993 dollars; making a total of Tls. 2,108,457. Of this amount Tls. 1,407,587 was covered by transfers in the treasury. The investment by 19 ships was invoiced at Tls. 5,988,263. The ships brought no silver for the Company, but nearly all the direct ships had 'private silver' on board.

The trade at Canton in the season 1802 was as follows :

	Ships. No.	*Cotton.* Piculs.	*Tea.* Piculs.	*Raw Silk.* Piculs.	*Nankeens.* Pieces.
English { Company	19	49,287	201,921	569	171,500
English { Country	19	112,151	1,083	13	33,000
American	32	..	38,732	..	750,000
French	1	..	2,652	..	34,000
Dutch	1	..	2,290	..	500
Swedish	5	..	10,703	..	13,500
Danish	2	..	6,466	..	28,500
Prussian	2	..	13,170	..	18,500
Hamburg	1	..	4,425	..	500
	82	161,438	281,442	582	1,050,000

The first 23 American ships in the list of arrivals ranged from 150 to 524 tons burthen, with an average of 282 tons, from which we may deduce an approximate capacity of 9,024 tons for the 32 American ships. The English tonnage was, Company's 20,150 tons, country ships estimated at 9,500 tons; total about 29,650 tons. During the ten months January to October, 1802, a total of 23 Portuguese ships entered at Macao, viz. 4 from Lisbon, 10 from Indian ports, and 9 from the islands.

Of ginseng American ships brought 2,229 piculs, English 381 piculs. Of fine furs American ships brought 388,746 (including 45,427 sea-otter skins and 333,922 sealskins) and English 18,518; of rabbit skins, English 105,750. Of specie (silver dollars) the Prussian ships were reported to have brought 66 chests; the Danish ships 550,000 dollars; of the Swedish ships one is reported with 36,000 dollars; and of the American ships 12 were reported to have brought 646 chests. The commander of one of the Prussian ships, the *Graf Bernstorff*, was named William Stewart; the other ship was formerly in the English Company's service as the *Belmont*, was at Canton in the season 1798 under the Danish flag, and now as the *Henrietta* was again at Canton under the Prussian flag with a Dutch supercargo. The Hamburg ship also had a Dutch supercargo, and brought no silver and little cargo. The French ship brought 50,000 dollars in specie.

The ships from New South Wales formerly had trouble, because they carried no cargo inwards. This was obviated by the practice of placing on board in London, when starting on their voyage as transport to Botany Bay, a quantity of goods which could be declared inwards at Canton. Thus the *Hercules* arrived with a lading of 20 tons of lead and 3,620 sealskins; the

Atlas with 30 tons of lead; the *Perseus* with a quantity of seal-skins, 600 gallons of elephant oil, and 560 logs of cedar.

The French ship *Diane* arrived from Mauritius on September 27th, and by her came as a passenger Monsieur Piron,

formerly a Supracargo in the service of the French East India Company, who is authorized by that Government to hoist the French Flag, and to act in capacity of Agent to the Republic until any other appointment shall take place from Europe.

He hoisted his flag on January 16, 1803, in front of the factory which had formerly been occupied by the French Company.

In May, 1802, the census of foreign residents, outside those connected with national incorporated companies, was as follows:

Prussian: Mr. Thomas Beale, Consul.
Mr. Charles Magniac, Vice-Consul.
Mr. Ilberry, mechanic in Mr. Beale's employ.

American: Mr. Dorr, who calls himself Vice-Consul.
Mr. James Oliver, merchant.

Of the above Mr. Magniac was afterwards a leader among the private English merchants at Canton, and founder of the firm which, as Jardine, Matheson & Co., is still in existence.

The Company's venture in cochineal, 46¼ piculs, broke the market. The normal demand was only 10 to 12 piculs annually, and this usually commanded a price of 800 to 1,000 dollars; the usual supply came from Acapulco (where the prime cost was 200 to 225 dollars) to Manila, thence to Canton, through Spanish channels. The introduction at once of four times the annual demand made it impossible for the Committee to obtain more than 420 dollars,

which in all probability would not have been procured unless a considerable demand had existed for Bombay and enabled Mowqua to dispose of it to some of the Native Agents.

The illicit introduction of camlets continued to engage the attention of the Committee. Outside the Company's importation, about 12,000 pieces, the imports as reported by the linguists were:

By Company's ships in private trade	1,291	English
,, Country ships from India	1,320	,,
,, American ships	872	(uncertain)
,, Prussian ships	532	Dutch
	4,015	pieces.

The Hong Merchants complained that, owing to the competition of this traffic, they were unable to dispose of this product delivered to them by the Committee, Puankhequa stating at the close of the season that he had on his hands, from this and the previous season, more than 8,000 pieces, value 400,000 dollars, on which he expected to lose 40,000 dollars.

> The average price of the Company's Camlets was about 32 Dollars and the duties brought them to 48 ; the highest price at which they had been sold for some time past did not exceed 34 to 35 Dollars, nor could they even to the Tea Merchants be bartered for more than 38 or 40 Dollars. . . . Had the importation been confined to the Company the market would have been less depressed, but 7 or 8,000 Pieces had been brought here by the Dutch, Swedes, Americans and in Private Trade, none of which had been sold for more than 24 Dollars and the greater proportion at 20 @ 22.

Notwithstanding this, the indent for 1804 was for the following quantities :

Broadcloth, 15,100 half-cloths (10,600 superfines, 3,000 supers, 1,500 worsters).

Long Ells, 228,000 pieces.

Camlets, 12,000 pieces.

After some discussion, the merchants agreed to take their share of woollens in the season 1803 in the same proportions and at the same prices as in 1802.

The winter contracts for teas for 1803 were made at the end of January, 1803, for delivery from November 1, 1803, to January 16, 1804. Bohea was contracted for according to each merchant's existing holdings, and other teas roughly in proportion to his share in the woollens, as follows :

	Woollens. Eighteenths.	*Bohea.* Chests.	*Other teas.* Small chests.
Puankhequa	4	..	38,000
Mowqua	3	700	29,000
Puiqua	3	200	28,000
Yanqua	3	1,400	28,000
Ponqua	1	2,000	9,000
Chunqua	2	1,000	18,000
Gnewqua	1	1,200	8,500
Conseequa	1	1,500	8,500
	18	8,000	167,000

In their instructions of February 19, 1802, the Court had indented for 200,000 pieces of nankeens, all brown, adding that

'for the present the Indent for White is altogether discontinued'. As these orders were received too late, the Committee had already contracted for 140,000 pieces brown and 30,000 white, and ultimately shipped 207,000 brown and 28,500 white. For the season 1803 the winter contract was made at increased prices, all brown:

60,000	pieces,	18	coveds	(254	Eng. in.)	long,	1	coved	(14·1 in.)	wide	Tls. 0·72
70,000	,,	14	,,	(197	,,)	,,	1	,,	,,	,,	0·56
20,000	,,	12	,,	(169	,,)	,,	1	,,	,,	,,	0·48

The principle of barter was recognized in fixing the price of lead. The price obtained in 1801 had been Tls. 5·50, but the market price had fallen, about 30 per cent. as the merchants averred; and the Committee proposed a price of Tls. 4·70 which was below prime cost, while in the market as much as Tls. 4·30 had been given, making, with duty Tl. 0·70, a gross price of Tls. 5·00. The merchants

candidly acknowledged that a small quantity had been bought of Individuals at Tls. 430 but this was in barter for low Teas, their profits on which amply compensated for any trivial loss on the purchase. . . . They invariably placed the Company on the most favorable footing and were content to allow the highest price of the market. . . . We at length proposed they should fix the price at Tls. 4·50 to which they immediately consented and appeared well satisfied with the concession.

In these negotiations with the Hong Merchants their solidarity is at all times manifest; so too are the mutual trust and the cordiality between them and the supercargoes. At the conference at which the winter contracts for 1803 were settled, the Committee noted the absence of

Mowqua who by the Hoppo's permission had proceeded to his native place (distant about 100 miles) on family concerns prior however to leaving Canton three days ago he waited on the President to request an apology might be offered to the Committee for his absence at a time when his presence would probably be required, he also solicited and authorized the President, in order to prevent any delay to the Company's business, to agree on his account to any extent, on the same terms as might be established with the other Merchants, engaging to sign and execute the Contracts on his return.

After the close of the same conference Yanqua, who had been prevented by other business from attending, came in and

to our surprize and astonishment he requested to be permitted to decline entering into any fresh engagements, strenuously urging his wish to be allowed to retire from business altogether.

He admitted that his relations with the Committee had been most cordial and that they had shown him great favour; but his health had been failing for some time, and he felt that he must resign from business.

It was true he had two Sons fully equal to the management of his Affairs and with which indeed they had been partly entrusted for several years past, but they had expressed considerable disinclination to continue in the line of a Hong Merchant when they perceived they were exposed daily to the oppression and extortions of the Mandarins, and that the situation was at best precarious, if not highly dangerous.

He was willing, himself, to carry on for another season, so as not to disoblige the Committee,

but in the event of his death his Sons might dispose of his teas to the other Merchants and they might also retire from business, if such continued to be their wish, as the Hong would expire with himself.

The Committee were very reluctant to lose his connexion, and again pressed him to carry on to the end of the next season; and this he agreed to consider carefully.

Opium is mentioned in connexion with the sale of bills. In writing to Lord Wellesley the Committee informed him that, owing to the reopening of the channels by which silver might be sent direct from Manila to India,

the Opium Trade . . . will be the only principal source from whence we can in future expect to derive our supplies for drafts on India, and tho' this Trade is extensive, employing a capital of nearly 24 Lacs of Rupees, there is little probability of drawing the whole into our Treasury for Bills on the Presidencies whilst Gold shall afford a more advantageous return of the Funds so employed. . . . Opium is with few exceptions always disposed of for ready money, and never delivered till paid for, nor is it an article in which the Hong Merchants ever deal.

In settling the season's rate of exchange for bills on India, the Committee had to consider also the return from the alternative mode of remitting in gold.

Having obtained every possible information relative to the value of Gold and Silver at Calcutta several calculations were examined from whence it resulted that Gold at the actual price of 20½ Dollars ℔ Tale weight will yield in Bengal at 14 Rupees 8 A. ℔ Tolah after deducting

all charges, 100 Current Rupees for about 41¼ Dollars. The remittance of Dollars would prove barely equal to 43¼ Dollars ℔ 100 Current Rupees.

Allowing for some minor factors, the exchange on Bengal was settled at 42 dollars ℔ 100 current rupees. The Governor-General in Council had authorized the Committee to draw during this season on Fort William to the amount of twenty lakhs of current rupees, and on Fort St. George up to one lakh, or in case of need to two lakhs of star pagodas.

Shortly after sailing from Whampoa, three of the ships of the season 1801, *Cirencester*, *Dee*, and *Canada*, put back leaking badly. The first two were repaired and caulked from inside, and sailed with their original cargo. The *Canada* put back to Macao on May 28, 1802, making water at the rate of seven feet an hour, which necessitated keeping the pumps going continuously. The Portuguese authorities were very helpful, and gave permission to land the cargo and heave the ship down to repair her; the cargo had received only slight damage and was reshipped. At the outset a difficulty was made by the head of the Chinese Customs (the Macao Hoppo), who prohibited the entrance of the ship into the harbour before the issue of a permit by the Hoppo at Canton, and threatened the Chinese servants of the Committee with serious penalties if they disobeyed his injunction. The Committee, however, acted on the permission given by the Portuguese Governor, but their position was regularized by a permit obtained by the Hong Merchants from the Hoppo at Canton.

In another matter the Chinese authorities at Canton brought the Portuguese authorities at Macao within the range of their administrative machinery. They required that the permit issued by the Hoppo authorizing the return of the several factories to Canton should be countersigned by the Procurador. The Committee could see no good reason for this.

> If the Portuguese are thereby supposed to render themselves responsible for our conduct, the custom must be totally useless; as it is impossible to conceive that they would in fact incur any degree of responsibility on our account, and if it is merely an act of ceremony, it had perhaps better be dropped altogether, as it has given frequent occasion to the ignorant and low bred Inhabitants of Macao who usually fill this Office, to offer insults to foreigners . . . In a small settlement like Macao, where there is scarcely a Gentleman except the Governor and

Judge, it would be preferable to be dependent on the Governor alone, unless in Civil Causes.

This referred to a previous entry on August 29th—

The Chop Boats arrived from Canton yesterday and application was made in the usual form to the Procurador to countersign the same. In consequence however of his repeatedly refusing to deliver it, and an apparent and premeditated intention to insult us, we addressed a Letter of Protest to the Governor.

The Governor promptly ordered that the permit should be countersigned without delay.

Piracy was prevalent along the coast and in the waterways of the delta; the boat route from Macao to Canton, by the Broadway past Heungshan, was beset so as to be impracticable. On July 29th Mr. Money, a supercargo below the Committee, started from Macao with an armed escort of sixteen Chinese soldiers; on the approach of piratical boats ten of his escort jumped overboard and swam ashore, and the remaining six showed symptoms of following their example, and Mr. Money was compelled to turn back. As ships of their fleet had already arrived at Whampoa, the Committee felt it their duty to write to the Viceroy and the Hoppo, asking that measures be taken to clear the waterways and to protect merchant shipping. The facts were notorious; but the authorities could give little attention to petty piracies, as they had for some years past been engaged in the suppression of numerous rebellions in many parts of the Empire.

One such rebellion, formented by a secret society and directed against the ruling Manchu dynasty, was widespread in Hwei-chow-fu (Waichowfu), i. e. in the basin of the East River, emptying into the delta close to Whampoa.

The Insurgents are reported extremely formidable in respect to numbers, but less so as far as regards arms, discipline, strong holds, or a connected and well regulated plan of operations; the full extent of their numbers cannot well be ascertained, tho' it is supposed they exceed 100,000 men, even within the limits of this Province.

There were also other rebellions in 'the Western Provinces', which are noted as interfering with the course of trade; and they were all encouraged by a prediction of an inspired enthusiast that 'the Tartar Dynasty is to terminate in the year 1804'. The

Viceroy, in conformity with Chinese custom, had gone in person to the scene of operations in the Waichow prefecture; this Viceroy was Kitsing (sometimes in the records written Kiking), who had been so considerate of the English in the *Providence* affair, and had evidently tried to spare them annoyance in the matter of the Macao expedition.

On September 13, 1802, the two principal merchants informed the Committee that the Waichow rebellion was 'infinitely more serious than was generally conceived', and that its leaders had declared that, 'if they were successful against the Tsontoc, their first point of attack would be Canton'. In that case all property on shore would be exposed to the risk of being plundered, and they asked the Committee to delay for a few days the discharge of their ships, then recently arrived. The Committee acceded to this, and offered the co-operation of the ships, all well armed, to assist in the defence of Canton, whether by blocking the 'passage by the Second Bar, being the only means by which a force could be conveyed by water', or by landing a body of armed sailors. By the 22nd the fears of the merchants were allayed, and the ships were allowed to begin the discharge of their import cargoes.

The Viceroy fought some indecisive battles, but was finally successful, so he reported, in defeating the rebels and killing many thousands of them; he also captured their leader, who had assumed the 'Imperial Insignia and Titles', and

> immediately put him to death by dividing his body into 32 pieces, a punishment common to Traitors in this Country.

Later reports cast some doubt on the completeness of the victory, as rebel forces were again heard of in the Waichow prefecture; and on December 14th the Committee were startled by the news that the Viceroy had committed suicide in the Governor's residence, effecting his purpose by means of a snuff-bottle, which he snatched from the Governor's girdle and forced into his own gullet.

> We learn that he chose the house of the Fouyuen to effect his purpose where he actually died while conversing with him, in consequence of some evil and malicious representation made by that Mandarin to the Emperor against him; whether he has in reality given cause for this severity we do not positively ascertain, but the action which he has

committed affords a degree of credibility to his having been at least imprudent; in respect to venality or corruption he appears to be generally and honorably acquitted.

From a Chinese point of view, if the Governor had maligned the Viceroy, the latter found complete vengeance and reparation in committing suicide in the Governor's house and in his presence. In their report to the Court of Directors the Committee stated—

As a Mandarin of incorruptible Integrity and humane disposition he is universally regretted and it is thought the Emperor will hereafter have great cause to lament his loss.

A fortnight after his death, January 2, 1803, the Committee record that an express had arrived from Peking,

ordering the late Viceroy [Kitsing] to Court, and announcing the appointment of a new Tsontoc, Chang Lun, the same person that was nominated to that office at the period of Lord Macartney's Embassy.

Changlun evaded the mission on the ground of 'the advanced age and increasing infirmities of his Father'; and the Governor of Kwangtung was directed to 'take charge of the Tsontoc's Office until further order'.

On September 25, 1802, the Spanish supercargoes asked the English Committee for a loan of 100,000 dollars,

to be repaid on the arrival of a Ship daily expected from Manilla having on board a very considerable Sum to their consignment, but at all events to be discharged with Interest at the rate of 10 ℔ Cent ℔ annum in the month of February.

The loan was made although in the interval, on September 30th, news was received of the total loss of the ship bringing the silver. The *Urca*, a ship of 1,200 tons, such as 'are employed in the Transport of Naval Stores from the Spanish Ports in the Mediterranean', sailed from Manila with a declared lading of 850,000 dollars; but

it is likewise reported that the sum lost far exceeded Dollars 850,000 as originally stated, amounting nearly to one & a half million, the residue it is supposed had been clandestinely received on board at Manilla and not registered owing to the heavy duty of 3 ℔ Cent which had been recently imposed on the exportation of Bullion and to which even the Spaniards themselves are subjected.

The ship met bad weather, and, neglecting the lead, was cast on shore in Kaptchee Bay, on the east of Kwangtung, not far west

of Swatow. The people on board were saved, but without food, clothes, or arms to defend themselves or the ship; and the wreck was plundered by the villagers day after day. The Spanish supercargoes asked for the help of the English Committee; and they dispatched their extra ship *Coromandel*, which had just arrived from Botany Bay. In all only 66,500 dollars were salved; the salvage had been settled at 8,000 dollars flat, plus 2 per cent. of the silver salved.

The King of Annam, having suppressed an insurrection or dispossessed a usurper, sent an embassy to the Court of Peking, announcing his succession, requesting investiture, and bearing tribute; and as a special gift he sent the persons of some notorious pirates, to be dealt with at the Emperor's pleasure. The two junks conveying the embassy arrived at the Bogue in the middle of August, 1802, but they presented so warlike an appearance that they were detained below Whampoa until orders came from Peking.

Sept. 26. The Emperor has signified his approbation of the conduct of the King of Cochin China in delivering up the Chiefs of the Pyrates which were brought here on these Junks and has consented to receive the Ambassadors as well as to acknowledge the Title of the King and to accept his Presents as a tributary of the Empire.

A lamentable ignorance of things Chinese prevailed at this time in England, not only among the unlettered, but even among the learned. The Royal Asiatic Society was not chartered until 1823, and some inscriptions from the site of ancient Babylon puzzled the scholars of the kingdom. They applied to the Court of Directors of the East India Company, who sent out to the Committee, in the hope that Chinese scholars might interpret them, sets of engravings—
one of bricks,
one of a fragment of a jasper tablet,
one of about $\frac{1}{16}$ part of an inscription on a large flat stone, all from the site of ancient Babylon.

Several of the engravings of the Babylonian Bricks & Tablet & of Dr. Hager's dissertation were likewise forwarded and Mr. Lamiot's good offices and the rest of the Gentlemen at Pekin were requested to obtain the meaning of the Characters or Hieroglyphics.

Curiously enough, nine months later—a long enough interval

to have given full consideration to the matter—Père L'Amiot replied:

> J'ai trouvé la ressemblance entre un certain nombre des Charactères Chinois et Babyloniens—vous en serez juge, car je vous ferai passer mon travail sur cette matière. J'aurois désiré faire des recherches pour y donner quelque perfection, il ne m'a pas été possible de m'y livrer, j'en profiterai pour vous envoyer mes réflections à cet égard.

Père L'Amiot and others of the French missionaries had always maintained friendly relations with the English Company in questions of greater importance than this; and on this occasion, although war had again broken out with France, the Committee urged the Court to show them every favour and so prevent the Portuguese from gaining a preponderance in Roman Catholic circles in Peking. At this period two Portuguese were at the head of the Imperial College of Mathematics at Peking: Padre Bernardo d'Almeida as President, and Dom Alexander de Gouvea, Bishop *in partibus*, as Vice-President; and they had addressed to the Emperor a memorial of 'venomous insinuations' on the occasion of the expedition to Macao. One favour suggested was to 'permit any French missionaries who may be desirous of proceeding to this Country the advantage of a passage gratis on board any of the Hon'ble Company's Ships'.

LIX

RENEWAL OF EUROPEAN WAR, 1803

For the season 1803 the Select Committee consisted of Messrs. James Drummond (President), David Lance (who came out from England to take second place), Samuel Peach, and George Sparkes. They also, as in each year since 1796, constituted the Secret Committee, with separate consultations and records. The books were opened on February 1st, an unusually early date, with the following balances:

	Tls.	
Cr. by Silver in treasury . .	31,159	
Tea in stock, 9,066 piculs	108,796	
Spanish Company's bond	72,000	
Owing by Gnewqua .	263	
Factory account . .	11,034	
		223,252
Dr. to Owed to Chinese merchants		793,539
Debit Balance .		570,287

The debts to merchants included a sum of Tls. 294,363 due to Yanqua.

The Company loaded at Canton 16 Indiamen of 19,189 tons, and two transports from Botany Bay of about 1,000 tons, total about 20,200 tons; in addition one ship of 1,180 tons arrived too late to be included in the transactions of the season 1803. The imports of 18 ships realized: woollens (invoiced f.o.b. at £1,020,436), Tls. 2,800,968; lead (invoiced £30,649), Tls. 101,472; tin (invoiced £28,265), Tls. 80,568; total English products, Tls. 2,983,008. Indian products (sandalwood), Tls. 54,891. The woollens realized a loss of 8½ per cent. on prime cost; and, if we allow 10 per cent. for freight, the loss to the Company was 17 per cent.

The Company imported in the ships silver invoiced at 5*s.* 6¼*d.* per ounce, to the amount of 498 chests containing 1,737,024 oz. = Tls. 1,437,934 = 1,997,131 dollars. The treasury took in against

bills on London at 5*s.* 6*d.* and 365 days, 1,148,664 dollars; bills on Bengal at 42 ℔ 100 current rupees, equally at 30, 45, and 60 days, 978,630 dollars; bills on Madras at 16 ℔ 10 star pagodas, 320,000 dollars; certificates 204,266 dollars; freight on cotton from Bombay 25,307 dollars; total 2,676,867 dollars = Tls. 1,927,344. The transfers allowed in favour of Chinese merchants amounted to Tls. 813,104. On the tonnage basis of the previous season, the investment was valued at about Tls. 6,000,000. The factory expenses were Tls. 59,843.

The particulars of trade in the season 1803 were as follows:

	Ships. No.	*Cotton.* Piculs.	*Tea.* Piculs.	*Raw Silk.* Piculs.	*Nankeens.* Pieces.
English { Company	18	69,228	244,664	965	150,000
English { Country.	25	214,959	2,245	1,472	85,000
American	23	383	17,788	11	630,000
French	1	No particulars given (from & to Manila)			
Danish	1	..	7,942	..	40,000
Prussian	1	..	8,053	..	9,000
Spanish	1	..	4	87	27,000
	70	284,570	280,696	2,535	941,000

According to the linguist's reports the foreign ships brought silver, the Spanish 107 chests, Prussian 46 chests, and 8 of the American ships 733 chests. Two other Spanish ships from Manila for Macao brought 550,000 dollars. Of the American ships 11 (including all the 8 reported as bringing silver) were from Atlantic ports direct, 6 were from Pacific ports of the North American continent, 5 were from ports of call in the 'South Seas', and one was from Havre de Grace. Of ginseng American ships brought 1,024 piculs, English 124 piculs; of fine furs, American 186,779 (including 163,260 sealskins), English 45,480 (including 43,980 sealskins); of rabbit skins, English 25,550. Of flints 1,334 tons came by the English Company's ships.

We have previously had occasion to take note of 'rubbish teas' returned or destroyed, for the value of which claim was made on the Chinese merchants and paid without demur, the amount in each year being usually about Tls. 10,000. In this year we have a claim made on the eight Hong Merchants in connexion with the shipments of the season 1800, amounting to the astounding total of Tls. 80,798; included in this was a novelty in a claim for 'deficiency of weight in sundry parcels of

Tea', to a total of Tls. 36,507; while Ponqua's account given below contains a sum of Tls. 24,032 for tea inferior to muster.

		Tls.	Tls.
Ponqua:	Damaged, Chests 45	627	
	Rubbish „ 12	182	
			809
	Add 50 per cent. for freight and charges		405
			1,214
	For amount of 565 chests of Congo returned to China per *Coutts* being unequal to muster		13,305
	Teas inferior to muster not returned to China but sold		10,727
	Charges on 36 chests per *Ganges*		680
	Congo that appeared to have been damaged & refired in China		1,207
	Small quantities of Rubbish found in sundry chests		8
	For deficiency of weights on sundry Parcels of Tea		3,817
			30,958

The deficiency in weight, amounting to about 5 to 10 lb. in each chest, had been found to be due to an ingenious method of tapping the chests, and 'from the dexterity of the performance' the Court were 'convinced it is done in China'; two specimen chests were sent back to Canton 'to give a perfect idea of the method'. The claim under this head was from 50 to 80 per cent. of the total claim against each of the merchants except Ponqua, who alone had the heavy claim for 'tea inferior to muster'. Confronted by this demand, the merchants accepted at once, as always, the item of damaged and rubbish teas, but

> the deficiency of Weight amounting to several hundred piculs much alarmed them. We showed them the two chests returned, which explained the expert manner in which the fraud was committed. Puankhequa said that this loss if not stopped would ruin the Merchants. He was sensible it was in part caused by Robberies in the Boats going to Whampoa to remedy which he resolved to have his Teas reweighed on board or alongside the ships, and to build boats of another construction so as to prevent the Crew having any access to the Tea. The Merchants informed us that on first hearing of the great extent of these Robberies they had applied to the PonYee [Punyü Hien] and had even given him a considerable sum of money to accelerate his exertions.

After some discussion they admitted the justice of the claim in principle, since they were responsible for the teas until delivered on board; but they represented that small under-weight of a pound or so per chest should be attributed to differences of

scale, or should be set off against small differences in the measurement of woollens, as well as in their quality. They further alleged that the Company deducted for that portion of a chop of tea which was inferior to muster, but took to itself all the profit from that portion which was superior to muster. In the end the merchants

> agreed that the several sums in the different accounts should be carried to their Debit, on condition that we would state the above objections and the hardship of their case to the Honble Court, and their request that the Chests containing adulterated Teas might not be sent out as it subjected them to an additional loss by the duties they were obliged to pay . . . and that under any circumstances whatever they trusted the Teas would be sold for what they would fetch and not be returned to them, declaring they would not receive them and that the Company must themselves pay the duty.

In all the discussion there is no hint of any shadow on the Company's honour in the matter, and the decision of the Court of Directors in distant London is taken as final. Relations between the Hong Merchants and the Committee were in fact very cordial, and this cordiality was encouraged by the Directors. The Court this season ordered that Captain Seton's complaint against Conseequa [1] be dismissed, and gave the Committee full authority to decide in case of disputes between private traders and Chinese merchants.

The merchants were often in great difficulties, as has been seen in the case of those involved in bankruptcy, or brought to its verge. On May 6, 1803, Ponqua came to Macao and informed Mr. Drummond that

> the embarrassed state of his affairs having rendered it absolutely expedient to come to some arrangement with his Creditors for the liquidation of their claims, and also to fall upon a plan for the discharge of his duties for last Season, he had succeeded in obtaining the promise of a person of considerable respectability & credit to undertake the management of his affairs, to become responsible to the Hoppo for the amount of his duties, and to satisfy the demands of his Chinese Creditors, provided Ponqua could ensure some temporary aid from the Committee by some addition to his contracts for two or three Seasons.

By his own statement he owed his Chinese creditors 1,450,000 dollars; European creditors nearly 360,000 dollars, and his

[1] Cf. *antea*, p. 366.

liability for unpaid duties about 300,000 dollars. At that date the Committee owed Ponqua Tls. 120,000, about 166,667 dollars, for teas delivered since the close of the last season, to be paid for after the arrival of the ships of the current season; and in fact he was paid 36,000 dollars on September 28th and 84,657 dollars on October 18th, both in specie—for no transfers were this season sanctioned in favour of Ponqua.

The duties may be partly discharged by the appropriation of the proceeds of part of his goods, or the anticipation of the duties of the succeeding Season, the Merchants having 12 Months credit for the amount of duties on all imports as well as for the measurement of the Ships.

The Chinese creditors had made the astounding proposal to reduce their claims by 80 per cent., if the payment of the remaining 20 per cent. was secured to them within two years; and Ponqua now proposed to pay his European creditors, without reduction but without interest, by instalments in four, five, or six years. The Company's interest was affected only indirectly. The Committee had been suspicious of his solvency,[1] and at the close of the season 1802 owed him only Tls. 596, whereas to Yanqua they owed Tls. 294,363; but they could not allow him to become bankrupt without an effort to save him, since his liabilities would then fall upon his colleagues, the other Hong Merchants, and a pretext might be given for increasing the levy for the Consoo fund. There was a long negotiation which came near being upset by a touching instance of filial piety.

May 28. Foqua waited on the President to acquaint him of the necessity of his immediate return to Canton, he observed that notwithstanding the precautions he had adopted of concealing his intentions relative to Ponqua and his visit to Macao, some officious person had revealed it to his Mother & Family, and that she had written to him in the most peremptory manner to quit Macao directly. Filial obedience which was so strictly enjoined by the Chinese Laws & Customs & indeed his natural affection to his parent would compel him to comply with the request, he begged leave to assure the Committee however of his faithful performance of his engagements, whether it was ultimately in his power openly to assist Ponqua or not, and that they might rely on his doing it secretly, if prevented appearing in the Affair.

[1] Cf. *antea*, p. 366.

As regards Ponqua himself the Committee would have much preferred that he should cease to be a Hong Merchant—

> it would be a source of comfort to us if he was removed altogether from his situation as a Hong Merchant, from the constant vexation we experience and frequent state of anxiety in which we have been placed by transacting business with him ;

but, in the interests of the whole trade, they considered it wiser to bolster him up. In the winter contracts [1] he had agreed for 2,000 chests of Bohea (about 5,000 piculs) and 9,000 chests of finer teas (about 5,500 piculs), and the Committee now agreed to take from him an additional quantity of 10,000 chests of Congo, for which, at the season's rate (Tls. 27 to 29 according to its character), they would pay on delivery a sum of about Tls. 170,000 in cash or in goods.

> At a subsequent period [July 19th] on consideration of the difficulties our Merchants have made at receiving any quantity of Camlets exceeding 12,000 pieces [22,000 were to be imported for the Company] and for which if they do, they will expect reduction in price or equivalent accomodations, and from a prospect. future (*sic*) state of our finances apprehending we might not have it in our power to pay Ponqua in full for the 10,000 Chests of Congo lately engaged for, and under the idea that it might not be impracticable for him to exchange the Camlets with the Country Dealers for Tea, we therefore proposed to him to receive the excess of Camlets that may be imported during the season not exceeding 10,000 Ps. at the usual price.

It was left to Ponqua's unfettered decision, and he jumped at the chance—was 'highly indebted to us for the offer'—and he disposed of them in truck for tea at 43 and 44 dollars per piece. The Company's price for camlets was Tls. 28 for 1st quality, Tls. 25 for 2nd, and Tls. 20 for 3rd; Ponqua received, out of a total import of 20,901 pieces, 919 of 1st, 4,179 of 2nd, and 4,168 of 3rd, for which he paid in tea to the value of Tls. 213,560. Including the camlets his share of this season's woollens came to Tls. 334,361 ; but he was allowed no debit until he had established a credit by delivering tea. In March, 1804, this arrangement with Ponqua was renewed tentatively for the season 1804.

Yanqua persisted in his determination to retire from all

[1] Cf. *antea*, p. 391.

business, much to the discomfort of the Committee, who were also under some apprehension—

We most sincerely wish that this experiment unprecedented we believe since the Establishment of the Cohong of a Merchants retiring altogether from the European business may succeed not only on account of the respectable and valuable individual who attempts it, but also as a motive or encouragement for wealthy individuals to engage in a Commerce known to be extremely lucrative, but avoided, not only on account of the present Exactions and Mortifications, but also on the supposed difficulty of ever being able to get disengaged from its oppressive connexion.

Yanqua had had three eighteenths share in the Company's business, woollens and teas. The Committee were unwilling to increase the shares of Ponqua or Gnewqua, whose affairs were not in a satisfactory state, and they cancelled one of his shares, reducing the whole to seventeen shares. One of the two remaining uncancelled they gave to Conseequa; and the other they divided, giving one thirty-fourth part each to Exchin and Manhop, two new Hong Merchants.

In the foreign trade of Canton the personality of the Hoppo had become a matter of prime importance. In some years the incumbent had been rapacious and oppressive, filled with the insolence of low-bred ignorance;[1] but in the season 1803 he seems to have been almost human. On November 28th he paid a friendly visit to the English factory, where he 'behaved with politeness and attention uncommon in Men of his Rank & Station'. Those who have known the dignity and courtesy manifested on all occasions by high officials of the defunct Empire can best judge of the Hoppo's normal attitude to the foreign traders, when the high official's ordinary good manners could be characterized as uncommon in men of his rank and station. But even with good manners the Hoppo could not afford to lose sight of the object of his post. The next day after his visit to the factory,

Intelligence was received from Pekin of the Hoppo's continuance in Office for another Season. This information was very grateful to our Merchants, with whom he is a great favorite from his mildness of manners & easiness of temper. This accommodation however is purchased at no easy rate as we are informed he has received in presents

[1] Cf. *antea*, pp. 356, 360, 362.

from the Merchants individually exclusive of what he claims officially above 600,000 Dollars during his stay at Canton.

For the woollens the Committee were faced, at the opening of the season, with the prospect of having to lower their standing prices; but on the receipt of advices of a renewal of hostilities the demand steadied and prices stiffened. On the standard Long Ells the Court wrote (March 25, 1803) complaining that the loss amounted annually to £70,000 sterling; that

until 1794 Long Ells were sold without loss, but in that year the price was reduced to Tls. 6·70 on account of distress in the provinces where consumed; in 1799 again advanced to Tls. 7·00. In consequence of the annual loss resolved to send 80,000 pieces of inferior manufacture cheaper by 2*s*. per piece. Should notice be taken of the difference must remark the depreciation of Teas.

The merchants did take notice of the difference, and begged that no more of the inferior quality be sent, as they injured the market for the standard grade.

Instructions were sent that the Bohea chests were in future to contain 320 lb. instead of 350 lb., with half and quarter chests in proportion.

There is a reference to opium in connexion with bills drawn on Bengal. The Committee expressed their satisfaction at receiving so large an amount in silver,

especially as we have some doubts in respect to the Bengal remittance of 20 Lacs, which the Gov't Gen'l have authorized us to draw for, being resorted to, at least the stagnation of the Opium Trade, the very high cost in Bengal of 1,400 Sa Rupees ℔ Chest, and the little probability of the Traders realizing their property in time to avail themselves of the Remittance by the Ships of the Season, lead to the supposition that the Tenders will prove less than in former Seasons.

This price, with 50 rupees added for freight, would indicate a prime cost (c.i.f.) of at least 610 dollars = Tls. 440, which was much above the average.

Advices of the renewal of war with France were received on July 23, 1803, in a dispatch from Bombay dated June 7th, enclosing

an Extract of a letter from Mr. Alexander Stratton, His Majesty's Chargé d'Affaires at Constantinople under date the 11th of April, to the address of His Excellency the Most Noble the Governor General, together

with transcript of a communication from the Hon'ble Arthur Paget, His Majesty's Minister at Vienna, dated March 24th.

A minor consequence of the rupture was that M. Piron, Commercial Agent of the French Republic, had on his hands some tea and 'objects of curiosity' for the family of the First Consul, which he had now no means of forwarding; and he requested that the English Committee would send them by their ships to London, to be there at the disposal of the Court of Directors. The request was acceded to, partly from personal regard for M. Piron, but principally 'from the Opinion that Examples of Liberality and Accommodation between Nations at War when not affecting their interest, cannot but be attended with good effects'.

Another consequence was that the Committee had again to plan for the safety of their ships from enemy capture. The fleet of the season was ready for dispatch on January 30, 1804, and early in the month a council of commanders, seventeen in number, was invited to consider the matter and to report, so that the Committee might decide between two rival plans. The majority were in favour of dispatching the fleet at once, together, and by the Straits of Malacca, and this was adopted; but a minority proposed to divide the fleet, to dispatch the first half at once in the full force of the north-east monsoon, and the second half in May at the beginning of the south-west monsoon.

> The first division should pass down the China Sea, making for Balambangan, thence to the South Natunas, thence down the coast of Borneo steering for the S.W. point of Borneo, thence to eastward of the Great Solombo, and to the eastward of Kangolong, thence through the Straits of Lombok or the Straits of Allas into the Indian Ocean.
>
> The second division, sailing in May, should pass north of the Luconias [Luzon] thence down through Dampier's Straits [probably Gilolo Passage, east of Gilolo], rounding the west side of Bouro, to stand down to the southward, passing to the eastward of the Toocan Bessy Isles, whence steering for either the Straits of Larantooca [Flores Strait] or the Dutch passage (next to the eastward) by some called the Gut of Timauro; being now in the high South Sea, to shape their course to the southward of Sandalwood Island, thence for the Cape.

The threat to their commerce made the Committee consider the possibility of another expedition to protect Macao. A new Governor had been sent by the Viceroy at Goa, and arrived on

June 20, 1803, to replace him who had been so obstructive and unfriendly; but 'extremely well disposed towards the English' as the new man was, he could not recall or neutralize the flow of calumny which Portuguese priests and Portuguese officials had set in motion against the Company and against everything English—at Peking, at Canton, and Macao, and even in Cochin China. The interpreter who had been of such great service to the Committee in the spring of 1802, Padre Rodrigues da Madre de Dios, had his identity disclosed and was driven from his post of interpreter to the city of Macao. The Committee gave him more money, to a total of 4,500 dollars, provided him with a passage on the ship to Lisbon, and wrote for him a letter enlisting the good offices and protection of the British Minister at Lisbon. As to Macao itself, the Committee were of opinion that any steps involving the landing of troops would be an error, and that both Macao and the Company's enormous interest in shipping would be best protected by England's sea-power.[1]

Among the suggestions made by the Select Committee was one that the Company's ships should, for self-defence and mutual aid, be more fully armed and receive 80 to 100 men additional to each ship. This would have added 1,500 to the 2,500 English sailors (besides lascars, Americans, Swedes, and others) at Whampoa, and the increased prospect of turbulence was disquieting to the Committee.

We beg leave to call the attention of the Hon'ble Court to a subject which has constantly been a subject of alarm and apprehension to us, and on which we have formerly frequently addressed them. We mean the permission for the seamen of your ships to come for three days to Canton to spend a portion of their wages which is then paid them. The manner in which this thoughtless and improvident Race of mankind spend the hard earned fruits of their labors, is not unknown to most of the Hon'ble Court, But the Scenes which pass in the sea ports of Europe are comparatively those of decency and propriety to [those] which we are daily witnesses to here. This ill judged precedent has been so long established, that the abused name of liberty by which these days of Riot are distinguished seems the signal of permission for every kind of enormity. The horrid liquor to which they have such easy access and which the Chinese mix with ingredients of irritating and stupifying qualities causes a state of Inebriety, more maddening and ferocious, than that occasioned by any other Liquor or Spirits. . . . It would be

[1] Cf. Appendix O.

disgusting to particularize the scenes we are witnesses to, it is only matter of surprize to us, that they do not more frequently end fatally and we are convinced that the unfavorable opinion entertained of the Europeans by the Chinese was first occasioned and has since been kept up by the scenes of brutal violence and beastly intemperance.

With drunkenness and turbulence the Committee had no means of coping, but in scientific matters they sometimes had greater success than they had with the Babylonian inscriptions. The Governor-General in Council, June 8, 1803, was very anxious that Dr. Jenner's valuable discovery of vaccine inoculation, which had been so successful in the British Possessions in India, should be introduced into China and Eastern islands; but, before sending any of the vaccine to Canton, he wished the Committee to consult the principal mandarins. The Governor in Council at Bombay was more confident and (August 8th) sent a supply of vaccine with instructions for its use. This was received on October 2nd, and the Hong Merchants were requested

to procure subjects to enable us to introduce to this extensive empire the valuable discovery made by Dr. Jenner and by their assistance the experiment was made on several healthy children, but unfortunately without success, the virus having from the length of passage been deprived of its virtue.

This first attempt to introduce vaccination into China has hitherto been credited to the Spanish.[1]

Mr. Kerr, one of His Majesty's gardeners, arrived at Canton by the *Coutts*, in Mr. Lance's company, to collect specimens of the flora of China for the royal gardens. He obtained growing specimens of above eighty plants, most of which were very rare or entirely unknown in Europe; and they were sent home by the *Henry Addington* in a 'Plant Cabin', which had been 'built here after a plan of the Rt. Hon'ble Sir Joseph Bankes'. The Committee suggested that English plants of economic utility should be sent out to Canton in the same plant cabin.

[1] R. M. Martin, *China: Political, Commercial and Social*, vol. i, p. 380.

APPENDIX O

Consultation. January 27, 1803

The renewal of hostilities with France and the Dutch Republic of which we have now received positive intelligence and the probable junction of Spain and even of Portugal to these Powers calls the attentive consideration of the Committee to the means of protection and defence of the very valuable trust committed to their Charge, of such momentous consequence to the National Interests, as well as those of their Honble Employers.

The measures adopted at the close of the last War of possessing Macao we consider as totally inefficient for this object. In our Consultation of the 22nd January 1802 and all those subsequent on the subject of that Expedition we gave our Opinions on the impolicy of our ever attempting to hold it ourselves, and the little danger we apprehended even from its temporary occupancy by our Enemies; convinced that while we possess our naval Superiority we shall be able to counteract any plan our Enemies may meditate against the Chinese Trade; that having this superiority that possession is useless—without it, no protection will be afforded, its Harbours will not admit the smallest of our Ships, and the heavy expence of a military Establishment for its defence will be entirely thrown away; could it even be supposed that we were admitted both by the Chinese and Portuguese to the quiet possession of it.

But after what passed on a late occasion we are convinced that any attempt on our part would completely embroil us with the Chinese Government, and put our valuable Trade here at imminent hazard, for a most inadequate object. These being our reflected sentiments we most earnestly deprecate the adoption of any plan connected with the occupancy of this Island which would confirm all the unfavorable Sentiments of our restless and intriguing Character which the Malicious representations of the Portuguese at Pekin have given rise to.

We are of opinion that an adequate Naval Force stationed in Ansons Bay near the mouth of the river of Canton or even at Lintin with some additional equipment which we shall hereafter particularize, will not only protect our Shipping in the River, but counteract and defeat any plan our Enemies may form against Canton or Macao and the same force that afforded our

Ships protection whilst loading will convoy them and the Trade of India to the Ocean, or Straits of Malacca according to the arrangement the Admiral may have made. We should therefore propose that with our Ships which now of course must come in fleets, a Naval Force should be sent sufficient to protect them against the attacks of our Enemies and this sufficiency must depend on its relative force to that of our Enemies in the Indian and Chinese Seas—of which probably the Captains of His Majesty's Ships will invariably have correct information.

In addition to the Force destined for this object, we should propose that it be accompanied by a vessel drawing very little water, and capable of mounting heavy cannon in smooth water, and likewise to have Gun Boats on board, or Boats in which large Guns can be placed with facility, also to have on board Artillery with Land Carriages, that can be easily conveyed and mounted on Batteries on the Shore.

One or two experienced Officers of Engineers and Artillery with about Fifty Artillery men, and a few Pioneers should accompany the Fleet.

The Ships of War should remain at Anson's Bay or at Lintin as Convoy to the homeward Fleet and the Military appear as entirely belonging to them—and a plan might be concerted between the Senior Officer of His Majesty's Ships and the Chief, or Senior Commander of those of the Hon'ble Company for the defence and co-operation in the event of an attack, by which the former might avail himself of the Assistance of our Ships (part of which might always be kept in a state of readiness to act with him) or of the Long Boats fitted as Gun Boats, of the many able additional men the Ships at Whampoa might supply him with. The Engineers could in the event of an attack mount Batteries on the Chinese Forts, that defend the entrance of the River, which we conceive so armed and manned by Europeans would probably obstruct the passage of Ships—further defences we understand might be made above the first Bar, and at Danes Island where Artillery properly placed would have a most distructive effect on Shipping—which combining with the cross fire from our Ships would effectually defend Whampoa from an attack.

Should the French or Spaniards either by an open attack or by Connivance of the Portuguese attempt to take possession of Macao, our Fleet would in all probability disconcert the Expedition before its purpose was effected, but even suppose them in possession—the Portuguese having as appears by our records pledged themselves not to admit any European power to Macao without Consent and concurrence of the Chinese, there is little doubt but co-operating as we then should with the Chinese

Government, they stopping all supplies of Provisions from their territories, and we obstructing any that may be sent by Sea, the Enemy would be compelled very quickly to surrender or abandon it, and the small Craft and Gun Boats we have before mentioned will serve as a protection to Canton against any Coup de Main that might be attempted.

We have throughout this proposition to which we think it our duty particularly to call the Honble Secret Committee's attention, considered the Chinese as acting with us in defence of their Territory, and the Neutrality of their Port, on which we think we can rely, if they perceive we have a sufficient Force to co-operate with, and to protect them—On a former occasion the Viceroy sent to our President to consult with him on the defence of the River, at the period when information was received of the Spanish Fleet being on the coast; and formed a considerable Camp near the Bogue. We must acknowledge however that the person then filling that Office was superior to the prejudices of his Country, and that much will depend in obtaining the support and co-operation of this Government on the temper and abilities of the acting Viceroy and other superior Mandarines of the Province. If alarmed for the safety of the Port and their own Dominions there will be no hesitation, on their part to accede to any proposition from us, but every response which might involve them with the Emperor will otherwise cautiously be avoided.

The probability of this attack we conceive will depend mainly on the Power of the Enemy to attempt it. The Government of France unrestrained by any Laws of Nations, and unrestricted by Principles of Humanity and having nothing at stake here either of Character or property are fully sensible no doubt what a dreadful blow both to our Commerce and Revenue, the destruction of our Chinese Fleet would prove.

With the dispatch of our Ships all our risk in this Country ceases and with that risk all temptation to the Enemy to attack us. The Military Officers destined to direct these operations might either go back to the Straits of Malacca and return the Ensuing Season, or if we perceived no impediments on the score of Jealousy to prevent it, stay with the Residents at Macao, the object of their mission with as much of this plan as possible being carefully concealed from General Knowledge.

And lest the Most Noble Governor General not perfectly aware of the very distressing embarrassments which might result from the occupancy of Macao, might consider it requisite again to form an Expedition for the purpose of possessing that place, the Committee are of Opinion it will be adviseable to transmit to his Lordship the substance of this Consultation apprizing him of their

having referred the plan to the decision of the Honble Secret Committee—and while we consider the co-operation of the Admiral indispensable to ensure its success it may be equally Expedient to acquaint his Excellency with our Sentiments on the Subject—leaving it to the combined consideration and judgement of the Governor General and himself either to act upon it immediately should they have any information of the Enemy meditating any attack on Macao or Canton, or otherwise to await the instructions of His Majesty's Ministers and the Honble Secret Committee.

It appears to this Committee that the only impediment to the execution of this plan, is the apprehension that the Lords Commissioners of the Admiralty may not be enabled to detach to India, a force adequate to the defence and protection of the British Dominions and Indian Ocean, should a portion of that force be destined to a spot so remote, for any length of time; in which event the only expedient that strikes us as inviting attention may be the Equipment of the Honble Company's Ships in a manner so formidable and respectable by the addition of a few Guns and 80 or 100 men to each Ship, as to render them fully competent when sailing in fleets to the defence of their own Ships from any combined force the Enemy could bring against them but also be eventually conducive to the protection of the very valuable Country Trade to this Port.

Of this however as of our sentiments delivered from a sense of Duty to our Employers, and our Country, the Honble Secret Committee will form their own judgement and decision, and convey to us those instructions of our future guidance which they shall deem proper and expedient.

JAS. DRUMMOND,
DAVID LANCE,
SAM[1] PEACH,
GEO. SPARKE.

LX

PIRACY: OPIUM: MISSION TO ANNAM, 1804.

In the season 1804 the Select Committee consisted of Mr. James Drummond (President), Mr. Samuel Peach, and Mr. George Sparkes; Mr. David Lance had returned to England at the end of January, 1804. Messrs. Peach and Sparkes left for England invalided at the end of December, 1804, and Mr. J. W. Roberts was moved up to the Committee. The books were opened on January 29th with the following balances:

	Tls.	Tls.
Cr. by Silver in treasury . .	717,455	
Tea in stock, 21,311 piculs .	501,533	
Owed by Ponqua . .	18,848	
		1,237,836
Dr. to Owed to Chinese merchants .	1,163,923	
Factory Account . .	12,809	
		1,176,732
Credit balance . . .		61,104

With the aid of 331,360 oz. of silver brought that day to credit from the belated ship *Woodford*, payments amounting to Tls. 937,958 were that same day made to the merchants. Including those from the *Woodford*, the dollars belonging to the season 1803 were counted, with the result that 592 chests turned out 2,382,846½ dollars = Tls. 1,715,649; but by the fixed equivalence they had been entered as producing Tls. 1,709,351; and there was therefore a gain on counting of Tls. 6,298. The ships properly belonging to the season 1804 brought an additional quantity of silver in dollars, 669,167 oz., which being counted out produced 770,925 dollars = Tls. 555,066; the fixed equivalent being Tls. 553,947, a nominal gain is shown of Tls. 1,019. The silver imported by the ships and brought to credit in this season amounted to Tls. 830,266.

In this season the Company loaded 21 ships for London—18 Indiamen of 21,626 tons chartered tonnage, and 3 transports

of about 1,600 tons from New South Wales, total about 23,226 tons. Their import cargoes realized: woollens (invoiced at £1,109,664 f.o.b.), Tls. 3,460,584; lead (£62,378), Tls. 176,507; tin (£50,620), Tls. 139,345; fire-engines (£363, a commission for the Hong Merchants), Tls. 2,514; total English products, Tls. 3,778,950. Indian produce (pepper), Tls. 56,052. Total of imports on Company's account Tls. 3,835, 002.

Besides the silver imported, the treasury received 2,285,307 dollars against bills on London (at 5*s.* 6*d.* and 365 days); 860,000 dollars bills on Bengal (at 43 dollars and equally 30, 45, and 60 days); 170,000 dollars bills on Madras (at 17 dollars and 30 days); 80,384 dollars on certificates; 33,560 dollars for freight on cotton from Bombay; total 3,429,251 dollars = Tls. 2,469,061. Included in these sums were transfers in favour of Hong Merchants to the amount of Tls. 1,326,410. The investment by the 21 ships was invoiced at Tls. 6,272,874. The compradore's account of factory expenses was as follows:

	Tls.
Charges Extraordinary . . .	19,443
Charges on Merchandize . . .	9,305
House Rent, Repairs & Furniture .	15,673
House Expenses	17,399
	61,820

The trade particulars of the season were as follows:

		Ships. No.	*Cotton.* Piculs.	*Tea.* Piculs.	*Raw Silk.* Piculs.	*Nankeens.* Pieces.
English	Company .	21	59,751	213,800	600	190,000
	Country . .	18	170,200	5,942	56	210,000
American . . .		36	2,417	54,902	..	1,235,000
Swedish . . .		3	..	17,645	..	23,000
Danish . . .		1	..	7,246	..	62,000
		79	232,368	299,535	656	1,720,000

It may be observed that the tea and nankeens recorded above as shipped by English Company's ships do not include the quantities in the private trade of commanders and officers; and that all figures for other ships are those given in by Chinese merchants to the English supercargoes, and are therefore not to be taken as necessarily accurate. Of the American ships 18 are reported to have brought 2,207,400 dollars in specie; the Swedish ships

172,000 dollars, and the Danish ship 1,144,000 (*sic*) dollars. A Spanish ship brought 500,000 dollars from Manila to Macao.

The 36 American ships had a total of 10,720 tons burthen, an average of 297 tons ; included therein were 7 brigs of or under 200 tons, and 3 ships of or over 500 tons ; 18 are noted as coming with furs or skins. The cotton by the American ships came from the Île-de-France, being French captures from English country ships. Of ginseng 905 piculs came by American ships, and apparently none by English. Of fine furs American ships brought 190,812 (including 182,890 sealskins), English none ; of rabbit skins, American 4,570 English 101,755.

The claim for rubbish tea and deficiency was again heavy ; and again the amount for deficiency covered nearly the whole. The total claim was for Tls. 81,236, in which was included Tls. 65,759, being 'half of his amount of second, third, and fourth accounts of Deficiencies of Weight'. Ponqua was again a culprit in having teas inferior to muster ; his figures were : total Tls. 16,720 ; deficiency Tls. 7,342 ; inferiority Tls. 5,783. There was also a claim made for negligence against the supercargoes of the Canton factory :

> Attention was drawn by the Court in a very forcible manner to the frauds of the Chinese in passing chests filled with rubbish instead of Tea ; part of a Chop of Twankay unfit to be sold, prime Cost and freight will be deducted from Commission.

The Committee could only protest that every care had been used, and then submit. The merchants protested most strenuously, declaring that they

> must relinquish business altogether if required to reimburse the Company for deficiencies which were not alone confined to recent transactions, but had a retrospection to seven or eight years.

They protested that they used every care while the tea was in transit to the ship's side, after which their responsibility ceased ; and they asserted that they had for many years suffered from a steady deterioration in the quality of the woollens, by which they had suffered loss ranging from 10 to 40 per cent., while the shortage in the weights of the teas did not in any instance exceed 4 per cent., and was more commonly only 1 or 2 per cent. This argument did not prevail, and the merchants were held

strictly to their obligation to deliver their goods on board ship. In fact the Committee took occasion this season to increase the price obtained for their woollens, on which, they declared, there was 'an annual deficiency of nearly 150,000 Tales'. They threatened to demand a lowering of the price of Congou tea from 27 and 29 taels a picul to 26 and 28 if the price of woollens was not raised. Long Ells, on which the duty was stated to be Tls. 1·50, were increased from Tls. 7·30 to Tls. 7·50 a piece; and of broadcloth, the price of superfine was increased from Tls. 2·10 to Tls. 2·30 a yard, supers from Tls. 1·50 to Tls. 1·60, and worsters from Tls. 1·00 to Tls. 1·10. In submitting to these increases, the merchants stipulated that the old quality should be restored.

The agreement with Ponqua to deliver to him the excess over 12,000 pieces of camlets having worked well, it was renewed for the season 1805; and owing to the flooding of the market by the Company's importation,

> the losses sustained by Foreigners in their late consignments of Camlets have prevented recurrence to similar speculations a very small quantity had been this Season imported and we believe none or any on the Hon'ble Company's Ships.

This expression of opinion was recorded at the close of the season, in February, 1805, the supercargoes 'having had every reason to be satisfied with the conduct of Ponqua during the present Season'; but at the outset, in October, 1804, Ponqua's solvency was secured only by the aid of his friends—

> Mowqua and Puiqua having consented to guarantee the delivery of Ponqua's Contracts by which additional security will be offered to the Company those respectable Merchants having also undertaken to become themselves the Purchasers of his Teas the Committee agree to deliver to their Orders Ponqua's Share of the Imports and the Camlets. By these means also much trouble and vexation will be avoided and it may be expected the failure of this Hong by such respectable assistance will thereby be prevented.

With Mowqua the Committee's relations had for many years been of the most cordial character, even before he became a Hong Merchant, but the connexion was now to come to an end. At the close of the season, before making the tea contracts,

Mowqua again mentioned the subject of his retiring, he expected to obtain the Hoppo's permission to withdraw his name in a month or two, substituting that of his Brother in Law Chunqua, provided the Committee approved of the plan, otherwise he must however reluctantly decline any Contracts for the ensuing Season.

The Committee, very reluctantly, agreed and the contract for tea was made ; but with the contract in advance for raw silk, which had regularly been made with him, he now refused to have anything to do.

The woollens were distributed for 1805 in the proportions settled for 1804, but at the increased prices ; and the winter contracts for tea were made as follows :

	Bohea. Chests.	*Other Kinds.* Small Chests.
Puankhequa	800	42,000
Mowqua	600	31,000
Puiqua	600	31,000
Ponqua	200	10,000
Chunqua	400	20,000
Gnewqua	200	10,000
Conseequa	400	20,000
Exchin	200	5,000
Manhop	..	5,000
	3,400	174,000

In addition Ponqua was to supply further quantities of Congou proportioned to his additional camlets. In discussing prices Puankhequa remarked that the export duties on tea 'now amounted to 5 Tales'.

Cotton has become an important article in the trade from India, and we have statements, sent to the Governor-General, of the out-turn of a quantity sent from Calcutta by way of Madras, and of another quantity shipped from Bombay :

From Bengal :

	Tls.	Tls.
Cost at Calcutta Sa Rup. 241,406 =	80,469	
Estimate of freight, £4,120	12,360	
Charges at Madras, Pag. 3,090	3,460	
		96,289
Sold 13,152 piculs at Tls. 14·50	190,698	
Deduct unloading charges	1,273	
		189,425
Gain on transaction		93,136

From Bombay :

		Tls.
3,457,214 lb. @ 784 ℔ Candy are 4,410 @ 150 Rupees computed cost to commanders, B'y Rup.	670,282	
Screwing and other charges	44,097	
Freight, 2,416 tons	72,481	
Insurance at 3 per cent.	21,431	
Interest, 4 months @ ¾ ℔ mensem	21,431	
B'y Rup.	829,722	= 276,574
Out-turn 3,388,070l b. = 25,410 picul @ 14·00 = Tls.	355,740	
Deduct unloading charges	1,984	
		353,756
Gain on transaction		77,182

In connexion with the above shipment from Bombay we have an illustration of the extent of the commander's privilege. Three ships were laden with cotton for Canton, and on them the Company reserved to itself 'three fifths of the whole of the Tonnage Builders Measurement without reckoning as part of the said three fifths the Kentledge and Deadweight'.

The remainder of the tonnage of each ship was allotted to the commander and his officers, but in consideration of this privilege the proceeds of the cotton shipped under it were to be paid into the treasury at Canton for bills. The distribution of tonnage in each ship was as follows :

	Glatton.	*Cirencester.*	*Winchelsea.*
Builders Meas't tons	1,432	1,430	1,265
Company's ⅗ Camlets	20	20	20
Company's ⅗ Freighters	839	838	739
Kentledge	146	146	146
Deadweight	100	100	100
	1,105	1,104	1,005
Company's tonnage	..	..	..
Commander's privilege	327	326	260

The most striking feature in this statement is the fact that the chartered tonnage of each of these ships was the same, viz. 1,200 tons.

There is an interesting reference to the use of chain cables for anchors. Captain J. Horsburgh had been retained to make a survey of the China Sea, and before leaving Bombay he wrote, on May 25, 1804, to the Governor in Council :

It is thought that Pirate Vessels of considerable Force make their Rendezvous among the Paracels & that there may be great danger in visiting the Shoals, in Vessels not well armed. If therefore it meets your approbation to supply 12 or 14 Eighteen-pounder light Carronades mounted on slides, & two small Chains for anchoring in Rocky bottom, it would tend greatly to facilitate the intended Survey.

At the close of the previous season two new Hong Merchants had been appointed, Exchin and Manhop. With these two the Committee had already had dealings ; but in July, 1804, two merchants came to Macao announcing that they had been appointed Hong Merchants. With these two, Poonequa and Lyqua, the Committee had had no dealings and knew nothing of their character.

The Motives for this appointment are evidently the enormous present given to the Hoppo amounting it is said & not denied by themselves to nearly 70,000 Dollars each.

Recurring contributions are again referred to in connexion with an audience to present to the Viceroy the King's letter to the Emperor, when it stated that

Puankhequa had confidently or having too confidently relied on the Hoppo's mild and conciliating disposition from the hitherto invariable kindness manifested towards the Merchants and which with more justice might have been ascribed to the large contributions obtained from them either voluntarily or by menace amounting we believe to little less than 300/m Dollars.

These contributions are again referred to in connexion with the effort to obtain higher prices for cloth—

Altho' aware that the Merchants for several Seasons have not been subjected to positive loss by our Broad cloth, we have been no less sensible that the encreased charges on the Trade, by forced tho' termed by the Mandarins in their addresses to Court voluntary contributions in aid of the expences incurred towards suppressing internal insurrections as well as the external depredations of the Pirates, together with heavy assessments by the Hoppo for presents to himself and the Emperor, must naturally render the respectable Members of the Hong little disposed to submit to any diminution of their profits, by which alone they are enabled, without ruin to themselves, to defray the enormous demands on their property.

The two new Hong Merchants were not accepted as securities for the Company's ships in this season or the next ; but on

February 20, 1805, it is recorded that for Hyson brought from them Poonequa was paid 28,734 dollars and Lyqua 21,799.

The Governor-General, Lord Wellesley, answered the Committee's representation on the subject of Macao [1] to the effect that

> it may be satisfactory to you to be informed that the Governor General in Council entertaines no idea of undertaking the expedition which you appear to apprehend and that His Excellency in Council entirely concurs in the general tenor of your sentiments upon that subject.

This was with reference to a possible attack by the French; but against the pirates Macao was quite helpless. On the arrival of the Committee at Macao on March 12, 1804, they learned that pirates had occupied the Taipa anchorage for some weeks past, interfering with the coasting trade and with fishing; and that they had even come within range of the guns of the forts, but had escaped without being hit. The garrison consisted of 100 natives of Goa,

> so that the principal reliance of the Governor in the event of a descent appears to rest on the Slaves of which there may probably be about 400 or 500 fit to bear Arms. . . . The audacity of the Pyrates and the very serious injury which their blockading the Port and preventing all communication with Macao from Sea causes & has already caused to the Portuguese Trade, has induced the Governor & Dezembargador to turn their thoughts towards the propriety and indeed necessity of providing some remedy to check the future progress of these lawless freebooters.

They had at their disposal only one ship, and that not then fit to go to sea; but they bought an English 'grab ship called the *Nancy*', for 15,000 dollars, fitted her out, armed her with 16 guns, and put a crew of 150 on board. On April 11th about 100 pirate boats being off or in Taipa, the grab made for them, whereupon

> The Ladrone Vessels disappeared behind the Islands to the Eastward and except an occasional boat or two, were not again seen from Macao during our residence there [to October 18th].

At the end of April the two ships, accompanied by 20 mandarin boats, went on a cruise against the pirates; and wherever they went the pirates (who first and last numbered about 400 junks with 70,000 to 80,000 men) fled before them; but when the

[1] Cf. Appendix O.

cruisers were to the westward the pirates renewed their activity in the eastward waters, and when the cruisers went east, the pirates went west. At the end of November the Broadway entrance was held for several days ; and on December 30th the Committee wrote :

> The very considerable strength these Pyrates have attained, and the probability of their numbers encreasing, from the tyranny & oppression exercised over the industrious inhabitants by the rapacious Officers of this Government, cannot but be a subject of serious consideration.

While the Indiamen, heavily armed and fully manned, were not probably in any danger, the country ships might be exposed to great risks. The Indiamen could, indeed, give a good account of themselves against an enemy more formidable than the pirates. The homeward-bound China fleet of the season 1803 was attacked on February 14, 1804, by the French squadron under Admiral Linois near Pulo Auore. The English ships, 16 Indiamen and 10 country ships, were under fire on two successive days, but, without losing a ship, they beat off the French fleet of one line-of-battle ship, two heavy frigates, one corvette, and one brig.

Later in the year, on October 23rd, Jean Baptiste Piron, Commercial Agent of the French Republic, died at Canton. The boat conveying his remains to Whampoa on the 24th was met and escorted by the boats of all the English ships in port and by the members of the English Company's factory. As the coffin left the French factory, the French flag was struck, after having flown there for one year and nine months.

The renewal of war revived the necessity of protecting the shipping engaged in the China trade, and brought the King's ships back to Canton waters ; and with their return the timidity of the Chinese authority was again aroused. On October 8, 1804, Captain B. W. Page arrived at Macao with three ships to convoy the homeward-bound fleet of Indiamen safely past any enemy force in Eastern seas. He brought dispatches from Admiral Peter Rainier expressing high approval of the Committee's opinion on the defence of Macao and the local protection of the shipping and trade,[1] and promising to co-operate in all the suggestions made. He also referred to the fact that a strong

[1] Cf. Appendix O.

French squadron had been lying in wait for the homeward-bound ships of 1803, but

your disposition for the sailing of the ships and the Country Trade fully merited the success that followed that prudent and well concerted measure [1]—the whole Country Trade reached their several ports of destination without a single capture.

Piracy was so rampant in and around the Canton delta that the Committee foresaw much difficulty in supplying the ships from Macao, if they were anchored at Lintin, and they decided to advise Captain Page to move them up to Anson's Bay,

that anchorage moreover combining security to the Port of Whampoa with a more ready intercourse with the King's Ships in cases of emergency; and altho' the Chinese have hitherto strenuously resisted the King's Ships remaining near the Forts at the Bogue, their opposition appears so frivolous and founded merely on the unreasonable pretext of Custom that we cannot consider it incumbent on us to abandon objects so important, as the safety of our Commerce and the regular supplies of Provisions to the King's Ships, solely to gratify the absurd and unreasonable mandates of a set of arrogant and tyrannical Mandarins, who are actuated by caprice and insolence to oppose accommodation and civil treatment under the apprehension of disturbance, which may never occur, rather than by any existing laws of the Empire.

Captain Page, accompanied by Mrs. Page, arrived at the factory on October 12th, having left his ships at Lintin, but he agreed that

they should as soon as practicable be directed to move up to Anson's Bay, it being likely greater facilities would result in the supply of provisions, and the security of the Port be better effected.

Ten days later the difficulty of supplying the ships across the bay from Macao was even more obvious to the Committee, who, moreover, record their opinion that

every act of submission to the Chinese Government on our part, and every forbearance on the part of the King's Officers, only tend to encrease the insolence and imperious conduct of the Mandarines: the necessity of adopting some measures to render the Ships of War respected, and to meliorate as far as may be consistent with prudence the situation of the Officers and Crews . . . are become so obvious that the Committee deem it expedient to employ every possible exertion for the attainment of Objects of such extensive National Importance.

[1] Cf. *antea*, p. 408.

They accordingly resolved to make representations to the Hoppo, giving all the reasons possible for moving the King's ships up to the Second Bar, or even to the First Bar close up to Whampoa, in the hope that thereby they might, as a compromise, be left undisturbed at Anson's Bay, by acquiescence if not by permission. Mr. Roberts was to exercise his diplomatic powers on the Hoppo, on the occasion of his measuring the Company's ships on October 24th ; and, in order to put the Chinese authorities in a yielding mood, he was to offer the co-operation of the King's ships in suppressing piracy in the estuary. He was further to point out the enormous value of the trade at stake—not less than twenty million taels, import and export—the magnitude of the merchant fleet endangered, valued at thirty million taels, and the Chinese revenue of not less than 1,300,000 taels a year, which would be lost if the trade came to an end.

As was to be expected, the Hoppo promptly rejected every suggestion made ; he was very polite, sincerely grieved that he could not oblige, but

> he could neither deviate from established Custom, nor could he indeed if even warranted by precedent authorize King's Ships to come within the Bogue, affairs of this description being exclusively subjected to the control and management of the Tsontoc.

He promised, however, to refer to the Viceroy this application and the Committee's obliging offer to join in the task of suppressing piracy. The Viceroy sent word through the Hong Merchant that the laws of the Empire could not be modified so as to allow the King's ships inside the Bogue, and he ridiculed the idea that the pirates were so formidable as to call for joint action—' his own Vessels of War being fully competent to destroy them.' The King's ships were then actually at Anson's Bay, the Viceroy either being ignorant of the fact, or ' not judging it advisable to notice it '.

At this juncture Captain Page sent H.M. sloop *Dasher* in to bring down provisions and naval stores from the Company's ships at Whampoa, and materials for repairing and refitting his own ships ; and she moored at First Bar. Promptly came the Hong Merchants, October 27th, with two Chops from the Hoppo ; one ordering the *Dasher* out, the other

> relating to the transhipment of provisions from the *Marquis of Ely* by

Boats belonging to His Majesty's Ships and which the Hoppo alleged was also contrary to custom and must not be repeated—that should any supplies be required, an application ought to be made, and he would grant permission on the regular payment of duties.

That the Customs authorities should exercise control over transhipments, as well as over landing and shipping, seems obvious; but it seems equally obvious that the transhipment of supplies from one Company's ship to another should be permitted duty-free. At Canton the trouble was that Customs supervision and Customs permit involved the payment of duty to which the goods were not properly liable, entailed the payment of irregular fees and exactions, and imperilled the privilege of re-exporting free of duty any imports for which a market could not be found.

In respect to the transhipment of Provisions or Marine Stores, it may not be improper to premise that twenty years ago, or even at a later period, Goods of every description were sent from Ship to Ship without Chop or any interference on the part of the Chinese. This privilege however has unfortunately been lost, not alone for Merchandize and articles of Trade, but also for Ships Stores of all kinds. . . . A correct list of all Stores belonging to His Majesty on board the *Brunswick*, *Canton*, and *Marquis of Ely*, was given to Puankhequa in order that official application might be made to the Hoppo, for their being forwarded at any time when required.

A letter was also sent to the Hoppo reminding him that the King's ships were not under the Committee's control, but that their crews were always under strict discipline and that some concession might safely be made in their favour.

So matters remained, the authorities continuing to order the ships to leave Anson's Bay, the ships continuing to receive their provisions. A month later, on November 24th,

We learn by the Private reports of the Merchants that the Mandarins finding the King's Ships were not likely to remove from Anson's Bay have come to the determination of privately conniving at their remaining there, though they propose publickly to record their refusal.

In another three weeks, on December 15th, matters were still in the same state on both sides; the Committee gave an assurance that, when the fleet of Indiamen was dispatched 'in a fortnight or three weeks', the King's ships would sail with them; whereupon Puankhequa declared that,

could the Men of War be induced to anchor about 50 Lys or nearly 15 or 20 miles from the Bogue, there might be less objection to their being regularly supplied with provisions from Whampoa, and as the Mandarins would then consider them without their jurisdiction and would not deem themselves responsible for any accident or casualty that might unfortunately occur, there would be no attempt to force them to a greater distance.

Captain Page remained at Anson's Bay until the end of the month, passing Macao on January 4, 1805, with the first fleet under his convoy. During his stay he had surveyed the neighbouring waters, and he reported to the Committee that there was 'very good anchorage without the point Chuenpi'. On December 29th Captain Francis Fayerman in H.M.S. *Athenien*, convoying a fleet of eight Indiamen direct from London, dropped anchor 'off Pingai Haerlem Bay', whence he expected to send a letter to Canton from 'the City of Fokai'. He received directions which enabled him to meet Captain Page at Macao; and the Committee left to his decision whether he considered Chuenpi a safe anchorage, or whether he would take his ship to Anson's Bay or to Lintin. On January 14th he was at Lintin for convenience of watering his ship.

For some years past, almost continuously since its first occupation for the Company in 1785, Penang had been receiving some numbers of Chinese artisans and husbandmen recruited by the supercargoes at Canton and sent in the Company's ships. Emigration of Chinese was, and always had been, strictly forbidden by the Chinese Government, but no overt steps had ever been taken to impose a check on this emigration to Penang. The captain of the Chinese, Tiqua, took occasion in this season to return for a visit to his home, during which, it was hoped, he might do something to stimulate the tendency of his countrymen to go to Penang; and, under date of June 11, 1804, the Lieut.-Governor, Mr. R. T. Farquhar, wrote:

As Tiquo proposes to return [to Penang] next year I have to request that you will advance to him should he require it the Sum of ten or twelve Thousand Spanish Dollars drawing Bills on the Lieutenant Governor. He is a Man of very considerable property and leaves large funds here but as the knowledge of his circumstances he thinks might prove injurious to his views he prefers embarking with very little Money and requests even that this Letter of Credit may be kept secret

in China. . . . I am convinced that the acceding to Tiquo's request will tend to the advantage of the Hon'ble Company's interests at this important Station by the influx of Chinese Artificers and labourers that it is calculated to produce.

While there was no trouble over this actual emigration, difficulties were made about shipping Chinese to help work the ships. Chinese had been engaged for this purpose during many years past, more especially since the outbreak of war, to supply deficiencies in the crew,

which the loss of Men by casualties, desertion, or pressing for His Majesty's Service has rendered a measure of expediency if not of absolute necessity, the Ships being incapable of navigating without them. A continuance of this practice, without discovery or any bad consequences ensuing has by degrees emboldened the Compradores & Crimps to put the Men on board at the 2nd Bar instead of joining the Ships when without the Bogue or at Lintin, which had been customary in the commencement, a precaution the dread of the punishment awaiting them in the event of detection had doubtless dictated.

Admiral Rainier wrote from Madras expressing his regret that, on the renewal of war, he had been driven to send out a 'hot press', and had impressed from every Indiaman the legal maximum of sailors—from twenty to thirty according to tonnage. Among them the *Walmer Castle* had lost a large proportion of her crew from casualties, desertion, or the press, and had filled up with Chinese sailors for the voyage to London and back to Canton. She sailed with the fleet on December 30th; and on January 1, 1805, Puiqua, her Security Merchant, informed Mr. Drummond that he was in serious trouble, because the matter had been reported to the Hoppo, who had referred it to the provincial authorities as an offence in contravention of the prohibition of emigration. That the ship had actually sailed only complicated the affair, since the actual facts could not be verified. Mr. Drummond summoned the Hong Merchants and advised them to help Puiqua by representing that these men were ordinary coolies engaged for work on the ship, and were not in any sense emigrants. The Hoppo and the Magistrate were very obdurate, the latter even refusing to see Puiqua, who was in a dangerous position, but finally, on the third day, the Namhoi Hien agreed to send to the Viceroy such a report as would fully exonerate

Puiqua and all others concerned in the affair, a result obtained mainly through the exertions of Chunqua.

Puiqua no longer apprehends any bad consequences from an occurrence which however at one period threatened those (*sic*) a serious and most unpleasant nature. That some pecuniary compensation has been made to the Mandarin is unquestionable, but altho' Puiqua did not positively deny the fact, he appeared delicate in noticing the amount. Whilst the discovery of a circumstance of this nature will inevitably expose the Merchants to much vexation & embarrassment, if not to the greatest personal responsibility and extensive pecuniary losses, it becomes absolutely expedient to give the Commanders the most positive directions, never to receive Chinese sailors at the 2nd Bar, but in the event of requiring such assistance to take them on board without the Bogue or at Lintin when the Boats of the Government have finally quitted them.

Incidentally the Committee bore witness to the help given by Chunqua in the affair of H.M.S. *Providence* in 1800, when

at the evident risk of great personal danger and responsibility he brought the wounded man to his own Factory for the convenience of Mr. Crichton's attending him with greater effect, and there is every reason to suppose that on his death which happened a few days after Capt. Dilkes's departure from China, he was subjected to considerable expence in preventing the complaints & petitions to Government by his family.

A curious representation was made by the Portuguese authorities of Macao on the subject of opium, in a letter from the Dezembargador, or Chief Judge, to Mr. Drummond stating that

the ship *Lowjee Family* had imported 100 Peculs of the Malva or Bombay opium as usually denominated, and that a similar or larger quantity had been introduced by the early Ships of the Season. He further observed that he had been informed this Article being prohibited at Bombay, the Ships touched at Goa . . . as evidently tending to the injury of the Bengal Opium he trusted the Committee would adopt measures to prevent a Trade, which he was willing to acknowledge materially affected the interests of the Inhabitants of Macao, but which must also ultimately prove detrimental to the Interests of the Hon'ble Company.

The Governor-General at Goa had been informed, but greater reliance was placed in action by the English Company. On this report the Committee make the following comment :

Altho' this Article is strictly prohibited in China, the sale is neverthe-

less effected by means of the Officers of Govt. and taken from the Ships in their own Boats—as it is however a contraband and liable to no duty, it is impossible for us, unless a complaint is lodged by the Chinese or a seizure takes place by those not concerned in the fees on its sale, to prove the importation against any particular Ship—and the prohibitory orders & penalties attached to discovery, rendering it the obvious interest of the proprietors to conceal the circumstances from the Committee we have no means of bringing the charge home to the Captain of the *Lowjee Family* . . . but we think it our duty to call the Governor General's attention to a Trade which may eventually be of essential injury to the Company's Interests.

The complaint from the Dezembargador arose from the fact that the opium was discharged and sold at Whampoa, to the detriment of Macao; but the Committee saw that

the Hon'ble Company might consequently be exposed to eventual loss by the reduced Sales of their own Opium in Bengal and without any proportionate advantages by gain or duties on the Opium in question. When our Predecessors at the instance of Puankhequa transmitted to the Hon'ble Court and to the Presidencies of India, translation of an Edict Fouyuens, strictly prohibiting the importation of this Article, and threatened those detected in any infringement of the Law with the severest penalties & punishments, they certainly obeyed the dictates of their duty & of propriety—subsequent information however tends to prove that this Edict was no new measure, but merely the repetition of an order long in force & published by a conscientious and strict Mandarin who had just taken possession of his Office & who felt desirous of averting from his Countrymen the baneful consequences resulting from the consumption of so pernicious a drug. . . . The effects of this Edict ceased on the removal of its Author, & as little difficulty has been experienced in the Sale of the Article since his departure as there had been prior to his arrival & we should have taken an early opportunity of communicating this circumstance, tho' sensible that the same order may be renewed on the appointment of any Mandarin of a similar character—but conscious the Article of Opium was deemed a Contraband & that any public sanction of the British Govt. to its importation might ultimately expose the Company to inconvenience in the event of complaints by the Chinese, it was judged more adviseable to avoid any public communication & merely apprizing the Traders between this & Bengal that we perceived no impropriety in their bringing the Article to Market a measure indeed which was considered the more necessary, as the regulations had been the means of throwing the whole Trade into the hands of the Portuguese of Macao; since that period considerable quantities have been brought to Whampoa & disposed of without difficulty or inconvenience, and if the Dezembargador's information

applied to the produce of Bengal it would remain unnoticed. But as the Malva Opium is not the manufacture or growth of the Company's Territories, & the importation evidently tends to prejudice the Interests of our Hon'ble Employers, without other benefit than enriching a few individuals, we conceive no pains should be spared to prevent its continuance.

These considerations the Committee laid before the Governor-General and pointed out that, if the export of Malwa opium from Goa and from Bombay was entirely prohibited, there was still the possibility that it might be shipped 'from Surat or other Harbours on the Malabar Coast'.

A letter was sent, under date of May 22, 1804, from the King to the Emperor, with other letters from Lord Castlereagh, President of the Board of Control, and from the Chairman of the Court of Directors, to the Prime Minister, the Canton Viceroy, and the Hoppo; the letters were accompanied by presents to a total value of £2,176. The Committee took steps to procure an audience of the Viceroy for the purpose of presenting these; but there was some discussion as to the proper ceremonial, both the Viceroy and the Hoppo being at times very angry with the Committee for insisting on a courteous reception without humiliating ceremonies; and it was only on January 23rd, nine days after the first steps were taken, that the letters were presented to the Viceroy and the Hoppo by Mr. Drummond, Mr. Roberts, and Sir George Staunton, who had returned to Canton by the ship bringing the letters.

They met with a more courteous & respectful reception than they had expected, considering the manifest unaccommodating disposition of the Hoppo, and the little friendly intercourse subsisting between the Viceroy & the Merchants, who owing to that circumstance might feel little interested to renounce Customs, the strict observance of which he would suffer no difficulty in justifying to the Emperor, had they even declined seeing him without a specific ceremonial previously established, they had certainly however no cause to congratulate themselves on the attainment of any sacrifice of, or deviation from their customs, & which the little official intercourse with independent states & the frequent compliance of tributaries may have operated to confirm almost into Laws.

Thus with more or less fitting ceremonial the letter and presents for the Emperor were received for transmission; but

those for the Prime Minister, Viceroy, and Hoppo were summarily rejected by the two last, their receipt being incompatible with the laws of the Empire.

Mr. David Lance, who took his seat on the Committee on October 1, 1803, informed his colleagues that he had been

> nominated by the Hon'ble Secret Committee on a mission to the King of Cochin China, to whom he was to deliver a letter and presents on the part of the Company, but was concerned to observe he had been foiled in the attempt owing to the advanced period of the Season, and the removal of the King from Saygon to Hui.

Finding his health so impaired as to prohibit his returning to hot latitudes, Mr. Lance nominated Mr. John William Roberts, one of the supercargoes at Canton, to execute the commission in his place. By the instructions given to Mr. Roberts by the Committee in secret session, the King was to be offered the assistance of the Company 'to prevent his receiving it from our Enemies', but such aid must be of a nature not to imperil the 'connexion of a very long standing which unites us to the Chinese Empire by the ties of mutual Interest'. It was suggested that

> the King might possibly be induced to relinquish the Province of Donai to the Company on their paying the present annual amount of its revenue [or failing that] to give us an Establishment on his Coast which would answer every purpose of commercial accommodation & security without being of such extent as to occasion any dread of political aggrandizement—such we conceive would be the Island of Callao or Campellos, situated about twenty miles to the S.W. of the harbour of Touron. . . . This possession might contribute to extend the Sale of Opium should the Port of Macao no longer be a depot for that Article as may be the case in the event of War with Portugal.

The mind of the King was to be prepared to receive a British Envoy, and he was to be encouraged should he manifest a desire to send his Envoy to the Governor-General.

> As the King is the principal and almost the sole Merchant in his Dominions, all Commercial Overtures must be made to him, and we have little doubt that a most beneficial intercourse will be the result.

Further particulars were given of the trade, gathered mainly from the records of the factory which had closed its doors

a century earlier,[1] and a weak spot in the armour of the mission was indicated.

Through the Rev'd J. B. Marchini, Agent of the Propaganda Fide at Macao, we have procured you letters of introduction to the Missionaries resident with the King, on whom you will have to depend as Interpreters, and the grateful sense the French Ecclesiastics throughout the East appear to entertain of the manifold kindness and unremitted attention shown to their Emigrant Brethren by the British Nation, will we have no doubt stimulate their exertions to aid you in the Object of your Mission ; and their zeal will be strengthened by the assistance they may hereafter expect to derive from our Hon'ble Masters and his Majesty's Ministers.

Mr. Drummond then, on November 19th, drew 6,500 dollars for secret service ; and Mr. Roberts, having obtained leave of absence to visit his brother in Bengal, took passage by the country ship *Gunjava*. Arriving in Turan Bay, Mr. Roberts was informed that the King of Annam had left Hué and was then in the northern part of his dominions, completing the re-conquest of Tongking. His inquiries while there led him to report that

obtaining the desirable point of forming a depot for Opium in any part of the King of Cochin China's Dominions will be attended with difficulty, as it is an article the importation or use of which is strictly prohibited ; admission of its sale to foreigners may therefore at present be questioned.

It seemed useless for him to remain in Turan Bay, and he left it on December 16th, Penang January 7th, arriving at Calcutta on February 1, 1804. He informed Lord Wellesley that the prospects in Annam were good. The French King's Government had promised its aid to the King of Annam,[2] but

the revolution in France effectually prevented the promised aid being given to the King at a period when it was most required, which being followed by the murder of their unfortunate monarch, has tended to alienate the King's good will from that Nation, and in proportion as he considered the War entered into by England, as avenging the cause of his lamented protector, so much did the British Character rise in his estimation : in proof of this fact, all English vessels now visiting the Ports of Cochin China are exempted from every description of Port charges and duties ; and his Majesty had clearly manifested the favorable sentiments he entertains towards our Country, by expressing on several occasions the strongest desire to enter into a commercial intercourse with the British Government.

[1] Cf. vol. i, chap. iii.

[2] Text of treaty of 1787 in Cordier, *Rélations de la Chine*, vol. ii, p. 246.

This point Lord Wellesley made much of, considering that the French at the Annamese Court were probably all royalists.

> The Governor General in Council is of opinion that . . . the French now residing in Cochin China will probably concur in your representation of the evils which have been occasioned by the operation of those principles on which the existing Government of France is founded, and if the King of Cochin China be endowed with the capacity which he is supposed to possess, it will not be difficult to satisfy his Majesty that the restoration of Monarchy in France cannot reasonably be expected within any period of time, or under any circumstances, which would render the admission of a French Establishment in Cochin China a safe or prudent measure for the interests of the Monarch of that Country.

Receiving his credentials and instructions from the Governor-General on April 20th, Mr. Roberts left Penang on June 26th, and cast anchor in Turan Bay on July 22nd. The King was then at Hué. Nearly a month was spent in negotiating, the Annamese officials asking that a copy of the letter to the King should first be given to them, Mr. Roberts insisting that the letter contained nothing but generalities and refusing to allow any one to see it before its delivery to the King. On August 17th he was received in audience with great ceremony:

> We were conducted to the centre of the square and desired to pay our respects to the King whom we observed seated cross legged on a low couch, with a Table before him, and a handsomely painted screen behind; his dress was yellow silk with figures of dragons embroidered and a black cap richly ornamented with gold; at this place the letters were delivered to two Mandarins of superior rank and after bowing we were conducted to the end of the right line of Mandarins and the letters being placed on the Table before his Majesty we followed, and were placed in a direction with the line of pillars to the right of the Throne; after making our bow, the King commenced the conversation . . .

The conversation ran on general lines, and every attempt to steer it into the particular was foiled by the King or by the interpreters. These interpreters were French officers—soldiers of fortune—and from them at dinner afterwards Mr. Roberts learned that

> the King was extremely apprehensive of any settlement of the English in his Country, that he was willing to receive English Ships as those of all other Nations, but nothing further; these fears had been produced by some incautious and unwarranted expressions . . . giving reason to suppose it was the Hon'ble Company's intention to get possession of

Touron ; this had given rise to a belief that it was in contemplation to seize either Touron or Cape St. James ; and the English Character had suffered from the stories circulated by the Portuguese.

The next few days, to August 21st, were spent in obtaining a proper translation of the letters, and by that date the King had given his answer, refusing to give to the English Company any exceptional privileges, but declaring a willingness to admit English ships on the same footing as others.

Considering that the King had marked in the strongest manner his determination to decline all intercourse with the Company and this rather in a contemptuous manner ; in the first place after accepting a part of the presents changing and selecting such as were likely to be useful and taking the carriage of one of the 6-Pounders and returning the Gun, in returning a verbal answer, refusing every proposition contained in my letter of the 17th without condescending to state any reason whatever, and repeating he was willing to receive English Ships as those of other nations, as had already been the Case, was in part saying he was willing to Trade with the English in the manner he had always done but declined any more intimate connexion—

considering these points Mr. Roberts was of opinion that his mission had failed, and this opinion was shared by Mr. Drummond at Canton, who attributed this result to the machinations of the French and Portuguese. As he wrote, in secret session, to Lord Wellesley on December 13th :

It appears evident . . . that some Secret Springs and inimical influence have been employed to poison the mind of the King in respect to the views and intentions of the British Nation, but whether proceeding from the French or the Portuguese who annually visit that Country, or from the combined suggestions of all parties, appears doubtful, it is not however to be questioned but that the reports of Mr. Dayot, corroborated doubtless by the other Frenchmen in his Service, and by the contemptible Portuguese from Macao, have in a great measure operated towards rendering the King inimical to the English and thereby the mission abortive.

EAST INDIA COMPANY'S SHIPS AT CANTON, 1775-1804

Year.	*Ship.*	*Tons B. M.*	*Units (Chinese).*	*Measurage.*			*Security Merchant.*	*Remarks.*
				Basic. Tls.	*Presents.* Tls.	*Total.* Tls.		
1775	Morse	864	240·0	1,788	1,950	3,738	Yngshaw	
,,	Lord North	761	218·2	1,626	1,950	3,576	Puankhequa.	
,,	Rochford	723	210·6	1,569	1,950	3,519	Tinqua.	
,,	Grosvenor	729	218·2	1,625	1,950	3,575	Munqua.	
,,	Queen	804	237·7	1,771	1,950	3,721	Kewshaw.	
1776	Royal Henry	804	232·9	1,735	1,950	3,685	Yngshaw.	Measurement deferred for 65 days.
,,	Stafford	804	231·1	1,721	1,950	3,671	Puankhequa.	
,,	Fox	758	218·9	1,631	1,950	3,581	Do.	
,,	Granby	786	227·1	1,691	1,950	3,641	Yngshaw.	
,,	Gatton	758	219·9	1,638	1,950	3,588	Coqua.	
,,	Lord Holland	804	238·1	1,773	1,950	3,723	Munqua.	
,,	Norfolk	723	208·8	1,555	1,950	3,505	Chowqua.	
,,	Lord Camden	707	203·0	1,512	1,950	3,462	Kewshaw.	
1777	Earl of Sandwich	804	235·0	1,750	1,950	3,700	Puankhequa.	
,,	Alfred	758	230·9	1,720	1,950	3,670	Yngshaw.	
,,	Prime	864	239·0	1,780	1,950	3,730	Coqua.	
,,	Resolution	804	231·0	1,720	1,950	3,670	Munqua.	
,,	True Briton	758	219·2	1,633	1,950	3,583	Chowqua.	
,,	Princess Royal	864	232·1	1,729	1,950	3,679	Kewshaw.	
,,	Worcester	723	213·2	1,588	1,950	3,538	Puankhequa.	
,,	Royal Charlotte	758	221·3	1,648	1,950	3,598	Yngshaw.	
,,	Stormont	723	209·7	1,562	1,950	3,512	Munqua.	
1778	Earl of Mansfield	758	215·5	1,605	1,950	3,555	Puankhequa.	
,,	Lord North	761	218·6	1,628	1,950	3,578	Yngshaw.	
,,	Lord Holland	804	240·0	1,787	1,950	3,737	Munqua.	
,,	Latham	723	210·3	1,566	1,950	3,516	Chowqua.	
,,	Hillsborough	723	210·4	1,567	1,950	3,517	Kewshaw.	

,,	Royal George	758	223·2	1,662	1,950	3,612	Puankhequa.	
,,	Glatton	758	214·7	1,599	1,950	3,549	Yngshaw.	
1779	Calcutta	761	222·2	1,655	1,950	3,605	Puankhequa.	
,,	Morse	864	240·8	1,793	1,950	3,743	Yngshaw.	
,,	Worcester	723	210·2	1,566	1,950	3,516	Chowqua.	
,,	Alfred	758	219·5	1,634	1,950	3,584	Munqua.	
,,	Royal Henry	804	234·2	1,744	1,950	3,694	Shy Kinqua.	
1780	Earl of Oxford	758	216·3	1,611	1,950	3,561	Puankhequa.	
,,	Haleswell	758	219·5	1,635	1,950	3,585	Munqua.	
,,	Britannia	770	216·3	1,611	1,950	3,561	Seunqua.	Company's own Ship.
,,	Stormont	723	209·3	1,559	1,950	3,509	Puankhequa.	
,,	Lascelles	758	235·6	1,755	1,950	3,705	Chowqua.	
,,	Bessborough	804	245·8	1,831	1,950	3,781	Munqua.	
,,	Atlas	758	215·3	1,604	1,950	3,554	Shy Kinqua.	
,,	Earl of Sandwich	804	236·2	1,759	1,950	3,709	Chowqua.	
,,	Granby	786	227·6	1,695	1,950	3,645	Shy Kinqua.	
,,	London	758	238·2	1,774	1,950	3,724	Seunqua.	
,,	York	758	249·2	1,856	1,950	3,806	Puankhequa.	
,,	Bridgewater	804	237·1	1,763	1,950	3,713	Chowqua.	
1781	Vansittart	758	234·5	1,747	1,950	3,697	Puankhequa.	Belong to season 1780. Arrived during Feb. 1781; Dispatched Apr. 5.
,,	Glatton	758	214·7	1,599	1,950	3,549	Do.	
,,	Pigot	758	215·0	1,601	1,950	3,551	Chowqua.	
,,	Lord Holland	804	237·8	1,771	1,950	3,721	Munqua.	
,,	Earl of Mansfield	758	216·3	1,611	1,950	3,561	Shy Kinqua.	
,,	Contractor	758	223·0	1,661	1,950	3,611	Puankhequa.	
,,	Duke of Portland	723	209·3	1,559	1,950	3,509	Chowqua.	
,,	Ponsborne	758	229·9	1,712	1,950	3,662	Munqua.	
,,	Royal Charlotte	758	243·5	1,814	1,950	3,764	Shy Kinqua.	
,,	Hastings	676	201·8	1,503	1,950	3,453	Puankhequa.	
,,	Lord North	761	225·2	1,677	1,950	3,627	Chowqua.	
1782	Nonsuch	..	143·6	982	1,950	2,932	Puankhequa, Chowqua, Munqua, Shy Kinqua	Lading opium.
,,	Locko (758 or)	922	247·2	1,842	1,950	3,792	Puankhequa. Hardy gives 922 in 1782 and 758 in 1785.	

Year.	Ship.	Tons B. M.	Units (Chinese).	Measurage. Basic. Tls.	Measurage. Presents. Tls.	Measurage. Total. Tls.	Security Merchant.	Remarks.
1782	Essex	758	233·6	1,740	1,950	3,690	Chowqua.	
	Osterley	758	218·4	1,627	1,950	3,577	Munqua.	
,	Asia	758	235·4	1,753	1,950	3,703	Shy Kinqua.	
1783	Queen	804	235·8	1,756	1,950	3,706	Puankhequa.	
,,	Northumberland	755	228·8	1,704	1,950	3,654	Chowqua.	
,,	Royal Henry	804	235·2	1,752	1,950	3,702	Munqua.	
,,	Dutton	755	220·2	1,640	1,950	3,590	Shy Kinqua.	
,,	Francis	755	232·4	1,731	1,950	3,681	Geowqua.	
,,	York	758	244·0	1,883	1,950	3,833	Sinqua.	
,,	General Coote	755	224·3	1,671	1,950	3,621	Pinqua.	
,,	Morse	864	238·4	1,779	1,950	3,729	Puankhequa.	
,,	Montagu	755	228·3	1,701	1,950	3,651	Chowqua.	
,,	Lascelles	758	232·7	1,733	1,950	3,683	Shy Kinqua.	
,,	Stormont	723	212·7	1,584	1,950	3,534	Geowqua.	
,,	Houghton	755	231·4	1,723	1,950	3,673	Munqua.	
,,	Walpole	758	220·3	1,641	1,950	3,591	Sinqua.	
,,	Fox	240	..	..	..	..	Packet.	
1784	Ganges	758	218·1	1,625	1,950	3,575	Pinqua.	
,,	Earl of Sandwich	804	235·2	1,752	1,950	3,702	Puankhequa.	
,,	London	758	238·1	1,773	1,950	3,723	Chowqua.	
,,	Kent	755	226·5	1,687	1,950	3,637	Munqua.	
,,	Sulivan	755	244·4	1,821	1,950	3,771	Shy Kinqua.	
,,	Hawke	723	211·1	1,572	1,950	3,522	Geowqua.	
,,	Calcutta	761	225·2	1,677	1,950	3,627	Sinqua.	
,,	Ponsborne	758	231·1	1,722	1,950	3,672	Pinqua.	
,,	Foulis	755	224·4	1,671	1,950	3,621	Puankhequa.	
,,	Latham	723	211·2	1,573	1,950	3,523	Chowqua.	
,,	Middlesex	755	240·3	1,789	1,950	3,739	Munqua.	
,,	Contractor	758	225·4	1,679	1,950	3,629	Shy Kinqua	
,,	Nassau	723	210·6	1,569	1,950	3,519	Geowqua.	

1785	True Briton	758	221·5	1,650	1,950	3,600	Sinqua (? Eequa).
,,	Royal Admiral	914	267·0	1,989	1,950	3,939	Puankhequa.
,,	Earl of Chesterfield	758	238·3	1,775	1,950	3,725	Chowqua.
,,	Alfred	758	240·0	1,788	1,950	3,738	Munqua.
,,	Lascelles	758	236·5	1,761	1,950	3,711	Shy Kinqua.
,,	Houghton	755	238·5	1,776	1,950	3,726	Geowqua.
,,	Locko (758 or)	922	262·9	1,958	1,950	3,908	Sinqua.
,,	Warren Hastings	755	245·6	1,819	1,950	3,769	Pinqua.
,,	Atlas	758	226·5	1,687	1,950	3,637	Howqua.
,,	General Elliott	755	239·9	1,787	1,950	3,737	Puankhequa.
,,	Osterley	758	222·5	1,657	1,950	3,607	Chowqua.
,,	Britannia	770	217·4	1,619	1,950	3,569	Munqua. Company's ship.
,,	Busbridge	755	221·4	1,649	1,950	3,599	Shy Kinqua.
,,	Barwell	755	232·7	1,733	1,950	3,683	Geowqua.
,,	General Coote	755	226·0	1,683	1,950	3,633	Sinqua.
,,	Bellmont	758	221·3	1,648	1,950	3,598	Pinqua.
,,	Essex	758	233·5	1,739	1,950	3,689	Howqua.
,,	Asia	758	235·4	1,753	1,950	3,703	Puankhequa.
,,	Lord Macartney	755	225·2	1,677	1,950	3,627	Chowqua.
1786	Duke of Montrose	755	229·6	1,710	1,950	3,660	Puankhequa.
,,	Northumberland	755	236·1	1,759	1,950	3,709	Chowqua.
,,	Southampton	758	228·5	1,702	1,950	3,652	Munqua.
,,	Earl of Cornwallis	755	233·9	1,742	1,950	3,692	Shy Kinqua.
,,	Contractor	758	227·2	1,692	1,950	3,642	Geowqua.
,,	Stormont	723	220·3	1,641	1,950	3,591	Pinqua.
,,	Royal Charlotte	758	259·0	1,929	1,950	3,879	Howqua.
,,	Neptune	758	228·1	1,699	1,950	3,649	Puankhequa.
,,	Pitt	775	224·2	1,669	1,950	3,619	Chowqua.
,,	Ranger	537	169·2	1,260	1,950	3,210	Munqua.
,,	Chapman	538	170·8	1,272	1,950	3,222	Shy Kinqua.
,,	Bridgewater	755	252·6	1,881	1,950	3,831	Geowqua.
,,	Pigot	758	221·8	1,652	1,950	3,602	Pinqua.
,,	Lord North	758	227·9	1,698	1,950	3,648	(Howqua) Eequa.
,,	Carnatic	758	226·8	1,690	1,950	3,640	Puankhequa.

Year.	Ship.	Tons B. M.	Units (Chinese).	Measurage. Basic. Tls.	Presents. Tls.	Total. Tls.	Security Merchant.	Remarks.
1786	Valentine	755	236·3	1,760	1,950	3,710	Chowqua.	
,,	Vansittart	758	242·2	1,804	1,950	3,754	Munqua.	
,,	Sulivan	755	250·7	1,867	1,950	3,817	Shy Kinqua.	
,,	Fort William	755	235·2	1,752	1,950	3,702	Geowqua.	
,,	Ponsborne	758	237·4	1,768	1,950	3,718	Pinqua.	
,,	Adm. Sir Edward Hughes	957	250·0	1,861	1,950	3,812	Howqua.	Company's own ship.
,,	General Goddard	755	229·3	1,708	1,950	3,658	Puankhequa.	
,,	Europa	755	226·2	1,685	1,950	3,635	Chowqua.	
,,	Middlesex	755	246·5	1,836	1,950	3,786	Munqua.	
,,	Earl of Mansfield	758	224·6	1,673	1,950	3,623	Shy Kinqua.	
,,	York	758	261·7	1,949	1,950	3,899	Geowqua.	
,,	Royal Bishop	720	197·8	1,473	1,950	3,423	Pinqua.	
,,	Mars	696	202·7	1,518	1,950	3,468	Howqua.	
,,	London	758	235·8	1,756	1,950	3,706	Puankhequa.	
1787	Worcester	755	no record				Puankhequa.	
,,	Earl of Wycombe	643					Chowqua.	
,,	Nottingham	1,152	297·6	2,217	1,950	4,167	Munqua.	
,,	Admiral Barrington	527	166·1	1,237	1,950	3,187	Shy Kinqua.	
,,	Besborough	870	249·5	1,858	1,950	3,808	Geowqua.	
,,	Marquis of Lansdowne	647	202·8	1,510	1,950	3,460	Eequa.	
,,	Dover	700	204·3	1,522	1,950	3,472	Pinqua.	
,,	Lascelles	824	239·3	1,782	1,950	3,732	Howqua.	
,,	Walpole	758	222·2	1,655	1,950	3,605	Puankhequa.	
,,	Belvedere	986	252·3	1,879	1,950	3,829	Pinqua.	
,,	Lord Walsingham	559	174·3	1,298	1,950	3,248	Howqua.	
,,	Queen Charlotte	..	89·9	430	1,950	2,380	Puankhequa.	From N.W. Coast of America with furs.
,,	King George	..	104·0	498	1,950	2,448	Chowqua.	From N.W. Coast of America with furs.
,,	King George	776	237·1	1,766	1,950	3,716	Chowqua.	From England.
,,	Rose	861	231·8	1,727	1,950	3,677	Munqua.	

,,	Melville Castle	806	238·0	1,773	1,950	3,723	Shy Kinqua.	
,,	Houghton	778	228·2	1,700	1,950	3,650	Geowqua.	
,,	Royal Admiral	914	260·2	1,938	1,950	3,888	Eequa.	
,,	Lansdown	574	189·8	1,414	1,950	3,364	Pinqua.	
,,	Hawke	779	241·4	1,798	1,950	3,748	Howqua.	
,,	Queen	755	246·4	1,835	1,950	3,785	Puankhequa.	
,,	Earl Fitzwilliam	803	226·7	1,802	1,950	3,752	Chowqua.	
,,	Foulis	755	228·2	1,700	1,950	3,650	Munqua.	
,,	Hillsborough	755	223·3	1,663	1,950	3,613	Shy Kinqua.	
,,	Osterley	775	220·3	1,641	1,950	3,591	Geowqua.	
,,	Locko	758	243·0	1,810	1,950	3,760	Eequa.	
,,	Woodcot	802	229·9	1,712	1,950	3,662	Munqua.	
,,	Glatton	778	220·0	1,639	1,950	3,589	Shy Kinqua.	
,,	Warren Hastings	763	227·3	1,693	1,950	3,643	Geowqua.	
1788	Minerva	798	238·8	1,779	1,950	3,729	Munqua.	
,,	Earl Talbot	767	218·1	1,624	1,950	3,574	Chowqua.	
,,	Barwell	796	237·0	1,765	1,950	3,715	Puankhequa.	
,,	Scarborough	..	160·5	1,196	1,950	3,146	Shy Kinqua. }	From Botany Bay,
,,	Charlotte	..	125·0	855	1,950	2,805	Geowqua. }	New South Wales.
,,	Belmont	769	219·6	1,636	1,950	3,586	Eequa.	
,,	Boddam	1,021	270·2	2,012	1,950	3,962	Pinqua.	
,,	Ceres	1,180	292·9	2,182	1,950	4,132	Howqua.	
,,	Neptune	809	236·9	1,764	1,950	3,714	Chowqua.	
,,	Dutton	761	219·8	1,632	1,950	3,582	Munqua.	
,,	Lord Hawkesbury	803	228·5	1,704	1,950	3,654	Puankhequa.	
,,	Albion	961	256·3	1,909	1,950	3,859	Shy Kinqua.	
,,	Lord Camden	775	228·2	1,700	1,950	3,650	Geowqua.	
,,	Earl Cornwallis	774	..	1,711	1,950	3,661	Eequa.	
,,	Adm. Sir Edward Hughes	957	254·1	1,893	1,950	3,843	Pinqua.	Company's own ship.
,,	Carnatic	1,169	292·2	2,177	1,950	4,126	Munqua.	
,,	Deptford	784	..	1,689	1,950	3,639	Chowqua.	
,,	General Coote	787	..	1,648	1,950	3,598	Puankhequa.	
,,	Lady Penrhyn	..	..	864	1,950	2,814	Shy Kinqua.	From Botany Bay.
,,	Essex	793	238·6	1,777	1,950	3,727	Geowqua.	

Year.	Ship.	Tons B. M.	Units (Chinese).	Measurage. Basic. Tls.	Presents. Tls.	Total. Tls.	Security Merchant.	Remarks.
1788	Prince of Wales	..	..	370	1,950	2,320	Eequa.	From N.W. coast of America.
,,	Bridgewater	799	..	1,686	1,950	3,636	Munqua.	
,,	Raymond	793	227·1	1,691	1,950	3,641	Chowqua.	
,,	Duke of Montrose	762	223·8	1,667	1,950	3,617	Puankhequa.	
,,	Contractor	777	..	1,673	1,950	3,623	Shy Kinqua.	
,,	Asia	816	237·4	1,768	1,950	3,718	Geowqua.	
1789	Ganges	784	218·9	1,631	1,950	3,581	Munqua.	
,,	Middlesex	852	235·8	1,756	1,950	3,706	Puankhequa.	
,,	Earl of Mansfield	782	214·1	1,595	1,950	3,545	Chowqua.	
,,	King George	776	229·8	1,712	1,950	3,662	Shy Kinqua.	
,,	Lascelles	824	237·6	1,770	1,950	3,720	Geowqua.	
,,	Valentine	790	230·6	1,717	1,950	3,667	Eequa.	
,,	Nottingham	1,152	293·3	2,184	1,950	4,134	Pinqua.	
,,	Lord Macartney	796	224·6	1,673	1,950	3,623	Munqua.	
,,	Sulivan	876	241·3	1,798	1,950	3,748	Puankhequa.	
,,	Rockingham	798	229·9	1,712	1,950	3,662	Chowqua.	
,,	Earl of Wycombe	655	198·1	1,476	1,950	3,426	Shy Kinqua.	
,,	Walpole	774	221·1	1,647	1,950	3,597	Geowqua.	
,,	Europa	772	228·9	1,705	1,950	3,655	Eequa.	
,,	Thetis	804	230·4	1,716	1,950	3,616	Pinqua.	
,,	Ocean	1,189	303·0	2,257	1,950	4,207	Munqua.	
,,	General Elliot	800	236·1	1,758	1,950	3,708	Puankhequa.	
,,	Warley	1,175	296·7	2,210	1,950	4,160	Chowqua.	
,,	Fort William	798	233·7	1,741	1,950	3,691	Shy Kinqua.	
,,	Duke of Buccleugh	1,182	302·7	2,255	1,950	4,205	Geowqua.	
,,	Britannia	770	228·5	1,702	1,950	3,652	Eequa.	Company's own ship.
,,	Pitt	775	218·2	1,625	1,950	3,575	Pinqua.	
1790	Minerva	798	..	1,781	1,950	3,731	Munqua.	(Coppered.)
,,	Barwell	796	..	1,737	1,950	3,687	Puankhequa.	,,

,,	Francis	789	237·1	1,766	1,950	3,716	Chowqua ,,
,,	Marquis of Lansdowne	647	202·3	1,507	1,950	3,457	Shy Kinqua. ,,
,,	Royal Charlotte	1,252	319·3	2,378	1,950	4,328	Geowqua. ,,
,,	Bellmont	769	225·2	1,677	1,950	3,627	Pinqua. ,,
,,	Hillsborough	755	226·2	1,685	1,950	3,635	Munqua. ,,
,,	Royal Admiral	914	257·2	1,916	1,950	3,866	Puankhequa. ,,
,,	Osterley	775	224·3	1,671	1,950	3,621	Chowqua. ,,
,,	Triton	800	228·0	1,698	1,950	3,648	Shy Kinqua. ,,
,,	Hindostan	1,248	305·6	2,276	1,950	4,226	Geowqua. ,,
,,	Lord Thurlow	805	232·1	1,729	1,950	3,679	Pinqua. ,,
,,	Woodcot	802	232·1	1,729	1,950	3,679	Munqua. ,,
,,	Earl Talbot	767	217·2	1,618	1,950	3,568	Puankhequa. ,,
,,	Earl of Abergavenny	1,182	309·4	2,305	1,950	4,255	Chowqua. ,,
,,	Ceres	1,180	? 255·0	2,092	1,950	4,042	Shy Kinqua. ,,
,,	Adm. Sir Edward Hughes	957	242·0	1,802	1,950	3,752	Geowqua. Company's own ship. (Coppered.)
,,	Belvedere	986	257·1	1,915	1,950	3,865	Pinqua. ,,
,,	Surprize	..	142·4	712	1,950	2,662	Munqua. From Botany Bay. (Coppered.)
,,	Justinian	..	121·1	656	1,950	2,606	Puankhequa. From Botany Bay. (Coppered.)
,,	Scarborough	..	148·3	742	1,950	2,692	Chowqua. Botany Bay.
,,	Lady Juliana	..	141·6	708	1,950	2,658	Shy Kinqua. ,,
,,	Lord Walsingham	559	177·8	1,324	1,950	3,274	Geowqua. (Coppered.)
,,	Neptune	809	230·1	1,714	1,950	3,664	Pinqua. Botany Bay.
,,	Henry Dundas	802	234·6	1,748	1,950	3,698	Munqua. (Coppered.)
1791	Alfred	1,198	298·5	2,223	1,950	4,173	Munqua.
,,	Albion	961	266·7	1,986	1,950	3,936	Puankhequa.
,,	Earl Cornwallis	774	236·5	1,761	1,950	3,711	Chowqua.
,,	General Coote	787	230·2	1,714	1,950	3,664	Geowqua.
,,	Boddam	1,021	276·0	2,056	1,950	4,006	Shy Kinqua.
,,	Canton	1,198	306·2	2,281	1,950	4,231	Munqua.
,,	True Briton	1,198	311·0	2,317	1,950	4,267	Puankhequa.
,,	Britannia	770	220·6	1,643	1,950	3,593	Chowqua. Company's own ship.

Year.	Ship.	Tons B. M.	Units (Chinese).	Measuvage. Basic. Tls.	Presents. Tls.	Total. Tls.	Security Merchant.	Remarks.
1791	Carnatic	1,169	299·5	2,231	1,950	4,181	Sky Kinqua.	
,,	Taunton Castle	1,198	330·8	2,464	1,950	4,414	Geowqua.	
,,	Woodford	1,180	319·3	2,378	1,950	4,328	Munqua.	
1792	Ocean	1,189	308·5	2,297	1,950	4,247	Munqua.	
,,	Lascelles	824	239·8	1,786	1,950	3,736	Puankhequa.	
,,	Nottingham	1,152	301·4	2,245	1,950	4,195	Chowqua.	
,,	Walpole	774	228·3	1,701	1,950	3,651	Shy Kinqua.	
,,	Middlesex	852	270·9	2,018	1,950	3,968	Geowqua.	
,,	Bridgewater	799	251·5	1,873	1,950	3,823	Mowqua.	
,,	Thetis	804	233·5	1,739	1,950	3,689	Munqua.	
,,	Rockingham	798	240·2	1,789	1,950	3,739	Puankhequa.	
,,	Adm. Sir Edward Hughes	957	244·5	1,821	1,950	3,771	Chowqua.	Company's own ship.
,,	Lord Macartney	796	230·9	1,719	1,950	3,669	Shy Kinqua.	
,,	Earl of Wycombe	655	200·1	1,490	1,950	3,440	Geowqua.	
,,	Duke of Buccleugh	1,182	315·5	2,350	1,950	4,300	Mowqua.	
,,	Airly Castle	813	249·3	1,857	1,950	3,807	Munqua.	
,,	Dublin	786	228·4	1,701	1,950	3,651	Puankhequa.	
,,	Sulivan	876	251·8	1,875	1,950	3,825	Shy Kinqua.	
,,	Royal Admiral	914	254·9	1,898	1,950	3,848	Geowqua.	
1793	Bellona	..	166·6	1,241	1,950	3,191	Munqua.	
,,	Minerva	798	235·2	1,751	1,950	3,701	Puankhequa.	
,,	Bombay Castle	1,200	306·6	2,283	1,950	4,233	Shy Kinqua.	
,,	Brunswick	1,200	313·2	2,332	1,950	4,282	Geowqua.	
,,	Earl of Chesterfield	810	233·5	1,739	1,950	3,689	Mowqua.	
,,	Hindostan	1,248	297·6	2,217	1,950	4,167	Puiqua.	Lord Macartney's ship.
,,	Warley	1,175	300·4	2,238	1,950	4,188	Yanqua.	
,,	Royal Charlotte	1,252	324·6	2,418	1,950	4,368	Munqua.	
,,	Triton	800	225·2	1,677	1,950	3,627	Puankhequa.	
,,	Earl of Abergavenny	1,182	314·6	2,343	1,950	4,293	Shy Kinqua.	
,,	Osterley	775	223·3	1,663	1,950	3,613	Geowqua.	

,,	Lord Thurlow	805	238·4	1,777	1,950	3,727	Mowqua.
,,	Ceres	1,180	313·8	2,337	1,950	4,287	Puiqua.
,,	Glatton	1,200	316·2	2,355	1,950	4,305	Yanqua.
,,	Lord Walsingham	560	179·8	1,339	1,950	3,289	Tackqua.
,,	Hawke	799	262·4	1,777	1,950	3,727	Puankhequa.
,,	Exeter	1,200	327·3	2,438	1,950	4,388	Shy Kinqua.
,,	Henry Dundas	802	240·0	1,787	1,950	3,737	Munqua.
1794	Indispensable	350	137·0	937	1,950	2,887	Munqua. From New South Wales.
,,	Canton	1,198	313·6	2,336	1,950	4,286	Puankhequa.
,,	Ocean	1,189	306·2	2,281	1,950	4,231	Shy Kinqua.
,,	Taunton Castle	1,198	307·8	2,293	1,950	4,243	Geowqua.
,,	King George	776	234·1	1,744	1,950	3,694	Mowqua.
,,	Alfred	1,198	311·1	2,302	1,950	4,252	Puiqua.
,,	Ganges	784	218·4	1,627	1,950	3,577	Munqua.
,,	Sulivan	866	248·9	1,854	1,950	3,804	Puankhequa.
,,	Ponsborne	804	240·8	1,794	1,950	3,744	Shy Kinqua.
,,	Middlesex	852	245·3	1,827	1,950	3,777	Geowqua.
,,	Nottingham	1,152	301·1	2,242	1,950	4,192	Mowqua.
,,	Walpole	774	222·5	1,657	1,950	3,607	Puiqua.
,,	Lord Macartney	796	224·6	1,673	1,950	3,623	Munqua.
,,	Boddam	1,021	266·6	1,985	1,950	3,935	Puankhequa.
,,	Duke of Buccleugh	1,182	303·4	2,259	1,950	4,209	Shy Kinqua.
,,	Carnatic	1,169	297·3	2,214	1,950	4,164	Geowqua.
,,	Dublin	786	234·2	1,744	1,950	3,694	Mowqua.
,,	Albion	961	256·9	1,913	1,950	3,863	Puiqua.
,,	Woodford	1,180	304·9	2,271	1,950	4,221	Munqua.
,,	Bridgewater	799	241·7	1,800	1,950	3,750	Puankhequa.
,,	True Briton	1,198	305·2	2,273	1,950	4,223	Poonqua.
1795	Surat Castle	1,050	288·9	2,152	1,950	4,102	Munqua. (Country ship taken up.)
,,	Young William	450	147·6	1,010	1,950	2,951	Puankhequa. From Botany Bay.
,,	Cirencester	1,200	313·9	2,338	1,950	4,288	Geowqua.
,,	Carron	1,025	263·0	1,959	1,950	3,909	Mowqua. } Country ships taken up.
,,	Anna	825	222·5	1,657	1,950	3,607	Geowqua. }
,,	Warren Hastings	716	228·2	1,699	1,950	3,649	Mowqua.

Year.	Ship.	Tons B. M.	Units (Chinese).	Measurage. Basic. Tls.	Presents. Tls.	Total. Tls.	Security Merchant.	Remarks.
1795	General Coote	787	227·9	1,697	1,950	3,647	Puiqua.	
,,	Kent	784	231·3	1,723	1,950	3,673	Yanqua.	
,,	Deptford	784	216·2	1,610	1,950	3,560	Chunqua.	
,,	Northumberland	784	213·9	1,712	1,950	3,662	Gnewqua.	(Error in measure't.)
,,	Osterley	775	220·3	1,641	1,950	3,591	Ponqua.	
,,	Earl Cornwallis	774	228·9	1,705	1,950	3,655	Munqua.	
,,	Earl Howe	876	transhipped to Northumberland, Gen. Coote, & W. Hastings.					
,,	Arniston	1,200	344·4	2,565	1,950	4,515	Puankhequa.	
,,	Belvedere	786	256·3	1,909	1,950	3,859	Geowqua.	
,,	Britannia	..	185·6	1,383	1,950	3,333	Geowqua.	} Country ships taken
,,	Ceres	..	150·7	1,030	1,950	2,980	Mowqua.	} up at Bombay.
1796	Exeter	1,200	318·8	2,375	1,950	4,325	Puankhequa.	
,,	Brunswick	1,200	308·7	2,299	1,950	4,249	Geowqua.	
,,	Bombay Castle	1,200	314·6	2,343	1,950	4,293	Mowqua.	
,,	Prince of Wales (I)	477	146·7	1,003	1,950	2,953	Puiqua.	From New South Wales.
,,	Surprize	..	115·6	553	1,950	2,503	Mowqua.	From Amboyna, not loaded by Company.
,,	Earl Howe	876	245·6	1,829	1,950	3,779	Yanqua.	
,,	Indispensible	450	139·8	957	1,950	2,907	Ponqua.	From New South Wales.
,,	Cuffnells	1,200	336·7	2,507	1,950	4,457	Chunqua.	
,,	True Briton	1,198	307·2	2,288	1,950	4,238	Gnewqua.	
,,	Crescent	..	97·0	464	1,950	2,414	Munqua.	Company's dispatch boat.
,,	Henry Addington	1,200	347·1	2,585	1,950	4,535	Puankhequa.	
,,	Carnatic	1,169	291·0	2,167	1,950	4,117	Geowqua.	
,,	Walmer Castle	1,200	346·8	2,583	1,950	4,533	Mowqua.	
,,	Duke of Buccleugh	1,182	304·3	2,267	1,950	4,217	Puiqua.	
,,	Royal Charlotte	1,252	351·5	2,618	1,950	4,568	Yanqua.	
,,	Glatton	1,200	329·3	2,544	1,950	4,494	Ponqua.	
,,	Thames	1,200	339·7	2,530	1,950	4,480	Chunqua.	
,,	Boddam	1,021	274·5	2,044	1,950	3,994	Gnewqua.	

,,	Taunton Castle	1,193	309·1	2,302	1,950	4,252	Puankhequa.
,,	Alfred	1,198	314·3	2,341	1,950	4,291	Geowqua.
,,	Canton	1,198	314·3	2,341	1,950	4,291	Mowqua.
,,	Prince of Wales (II)	..	113·6	544	1,950	2,494	Munqua. } From New South Wales.
,,	Sylph	..	114·9	550	1,950	2,500	Puiqua. } From New South Wales.
,,	Woodford	1,180	305·3	2,274	1,950	4,224	Yanqua.
,,	Ocean	1,189	..	..	..	..	Wrecked on passage out.
1797	Amazon	446	141·6	969	1,950	2,919	Ponqua. Arrived with dispatches.
,,	Britannia	? 600	168·6	1,256	1,950	3,206	Puankhequa. From New S. Wales.
,,	Arniston	1,200	351·5	2,618	1,950	4,568	Geowqua.
,,	Duff	300	106·7	511	1,950	2,461	Mowqua. From New South Wales.
,,	Coutts	1,200	346·4	2,580	1,950	4,530	Chunqua.
,,	Earl Talbot	1,200	354·8	2,643	1,950	4,593	Gnewqua.
,,	Albion	961	249·7	1,859	1,950	3,809	Conseequa.
,,	Ceres	1,200	357·8	2,665	1,950	4,615	Geowqua.
,,	Nottingham	1,152	311·6	2,321	1,950	4,271	Mowqua.
,,	Hope	1,200	354·1	2,638	1,950	4,588	Yanqua.
,,	Cirencester	1,200	341·4	2,543	1,950	4,493	Puiqua.
,,	Asia	816	234·6	1,747	1,950	3,697	Puankhequa.
,,	Earl of Abergavenny	1,200	371·7	2,768	1,950	4,718	Puiqua.
,,	Neptune	1,200	362·6	2,700	1,950	4,650	Yanqua.
,,	Warley	1,200	366·1	2,727	1,950	4,677	Ponqua.
,,	Hindostan	1,248	371·5	2,767	1,950	4,717	Chunqua.
,,	Duckingfield Hall	? 450	138·0	944	1,950	2,894	Gnewqua. From Amboyna.
,,	Ganges	1,200	367·0	2,813	1,950	4,763	Conseequa.
1798	Exeter	1,200	333·1	2,481	1,950	4,431	Puankhequa.
,,	Brunswick	1,200	319·9	2,383	1,950	4,333	Mowqua.
,,	Bombay Castle	1,200	328·4	2,446	1,950	4,396	Puiqua.
,,	Caledonian	612	213·3	1,589	1,950	3,539	Yanqua.
,,	Dublin	786	247·7	1,845	1,950	3,795	Ponqua.
,,	Fort William	798	243·0	1,810	1,950	3,760	Chunqua.
,,	Airly Castle	813	247·5	1,844	1,950	3,794	Gnewqua.
,,	Barwell	796	253·7	1,890	1,950	3,840	Conseequa.
,,	Malabar	884	276·6	2,060	1,950	4,010	Puankhequa.

Year.	*Ship.*	*Tons B. M.*	*Units (Chinese).*	*Measurage.* *Basic.* Tls.	*Presents.* Tls.	*Total.* Tls.	*Security Merchant.*	*Remarks.*
1798	Bridgewater	799	250·8	1,868	1,950	3,818	Mowqua.	
,,	Walpole	820	275·1	2,049	1,950	3,999	Puiqua.	
,,	Contractor	777	241·7	1,800	1,950	3,750	Yanqua.	
,,	Carron	1,072	280·0	2,079	1,950	4,029	Yanqua.	
,,	Anna (of Bombay)	899	227·8	1,697	1,950	3,647	Chunqua.	
,,	Anna (of Bengal)	684	217·2	1,618	1,950	3,568	Gnewqua.	
,,	Surat Castle	1,139	307·6	2,291	1,950	4,241	Chunqua.	
1799	Boddam	1,021	276·0	2,056	1,950	4,006	Puankhequa.	
,,	Carnatic	1,169	316·8	2,360	1,950	4,310	Mowqua.	
,,	Taunton Castle	1,198	328·1	2,444	1,950	4,394	Puiqua.	
,,	Hope	1,200	385·4	2,870	1,950	4,820	Yanqua.	
,,	Warley	1,200	365·1	2,719	1,950	4,669	Ponqua.	
,,	Earl of Abergavenny	1,200	379·5	2,827	1,950	4,777	Chunqua.	
,,	Duke of Buccleugh	1,182	320·3	2,386	1,950	4,336	Gnewqua.	
,,	Hindostan	1,248	380·7	2,836	1,950	4,786	Conseequa.	
,,	True Briton	1,198	314·6	2,343	1,950	4,293	Puankhequa.	
,,	Alfred	1,198	313·9	2,338	1,950	4,288	Mowqua.	
,,	Glatton	1,200	374·9	2,792	1,950	4,742	Puiqua.	
,,	Royal Charlotte	1,252	373·7	2,783	1,950	4,733	Ponqua.	
,,	Walmer Castle	1,200	373·6	2,782	1,950	4,732	Yanqua.	
,,	Cuffnells	1,200	363·6	2,708	1,950	4,658	Chunqua.	
,,	Thames	1,200	363·2	2,705	1,950	3,655	Gnewqua.	
1800	Arniston	1,200	356·7	2,657	1,950	4,607	Puankhequa.	
,,	Brunswick	1,200	318·9	2,375	1,950	4,325	Mowqua.	
,,	Ceres	1,200	341·4	2,542	1,950	4,492	Puiqua.	
,,	Marquis Wellesley	818	259·7	1,934	1,950	3,884	Yanqua.	
,,	Lord Nelson	819	258·6	1,938	1,950	3,888	Ponqua.	
,,	Walthamstow	820	267·3	2,041	1,950	3,991	Chunqua.	
,,	Earl of St. Vincent	818	255·1	1,908	1,950	3,858	Gnewqua.	
,,	Cirencester	1,200	366·2	2,746	1,950	4,696	Conseequa.	

,,	Ganges	1,200	378·2	2,831	1,950	4,781	Puankhequa.
,,	Canton	1,198	326·8	2,461	1,950	4,411	Mowqua.
,,	Carron	1,072	275·6	2,072	1,950	4,022	Ponqua.
,,	Hugh Inglis	820	258·8	1,978	1,950	3,928	Puiqua.
,,	Exeter	1,200	339·7	2,542	1,950	4,492	Yanqua.
,,	Neptune	1,200	370·8	2,762	1,950	4,712	Ponqua.
,,	Dorsetshire	1,200	332·9	2,506	1,950	4,456	Chunqua.
,,	Coutts	1,200	360·2	2,697	1,950	4,647	Gnewqua.
,,	Bombay Castle	1,200	336·2	2,518	1,950	4,468	Conseequa.
,,	Britannia	770	206·9	1,541	1,950	3,491	Puankhequa. Company's own ship.
,,	Queen Charlotte	..	..	346	1,950	2,296	From Amboyna with spices.
,,	Nonsuch	..	133·0	910	962	1,872	Puankhequa. Company's frigate.
1801	Boddam	1,021	284·3	2,117	1,950	4,067	Puankhequa.
,,	Hindostan	1,248	371·2	2,764	1,950	4,714	Mowqua.
,,	Carnatic	1,169	340·7	2,538	1,950	4,488	Puiqua.
,,	Hope	1,200	380·9	2,837	1,950	4,787	Yanqua.
,,	Ocean	1,200	343·4	2,586	1,950	4,536	Ponqua.
,,	Henry Addington	1,200	348·7	2,597	1,950	4,547	Chunqua.
,,	Admiral Gardner	813	266·9	1,988	1,950	3,938	Gnewqua.
,,	Windham	820	262·4	1,954	1,950	3,904	Conseequa.
,,	Lord Duncan	830	265·6	1,978	1,950	3,928	Puankhequa.
,,	Nottingham	1,152	317·9	2,368	1,950	4,318	Mowqua.
,,	Royal Admiral	..	260·2	1,938	1,950	3,888	Yanqua.
,,	Elizabeth	600	208·5	1,553	1,950	3,503	Ponqua.
,,	Albion	961	265·8	1,980	1,950	3,930	Chunqua.
,,	Earl of Abergavenny	1,200	380·3	2,832	1,950	4,782	Gnewqua.
,,	Alfred	1,189	335·6	2,500	1,950	4,450	Conseequa.
,,	Warley	1,200	367·8	2,740	1,950	4,690	Puankhequa.
,,	Belvedere	987	282·0	2,100	1,950	4,050	Mowqua.
,,	Duke of Buccleugh	1,182	336·2	2,504	1,950	4,454	Puiqua.
,,	Taunton Castle	1,198	332·9	2,479	1,950	4,429	Yanqua.
,,	Woodford	1,180	321·8	2,397	1,950	4,347	Ponqua.
,,	Angelique	..	..	676	1,950	2,626	Mowqua. From Amboyna with spices.

Year.	Ship.	Tons B. M.	Units (Chinese).	Measurage. Basic. Tls.	Presents. Tls.	Total. Tls.	Security Merchant.	Remarks.
1801	Ganges	1,200	388·0	2,890	1,950	4,840	Yanqua.	
,,	True Briton	1,198	346·4	2,580	1,950	4,530	Chunqua.	
,,	Minorca	..	140·7	962	1,950	2,912	Gnewqua.	From New South Wales.
,,	Nile	..	132·0	903	1,950	2,853	Conseequa.	
,,	Canada	..	146·9	1,005	1,950	2,955	Puankhequa.	
1802	David Scott	1,200	346·4	2,580	1,950	4,530	Puankhequa.	
,,	Ceres	1,200	361·4	2,692	1,950	4,642	Mowqua.	
,,	Arniston	1,200	366·3	2,728	1,950	4,678	Puiqua.	
,,	Brunswick	1,200	326·9	2,435	1,950	4,385	Yanqua.	
,,	Royal Charlotte	1,252	374·3	2,788	1,950	4,738	Ponqua.	
,,	Glatton	1,200	372·1	2,772	1,950	4,722	Chunqua.	
,,	Perseverance	1,200	358·4	2,662	1,950	4,612	Gnewqua.	
,,	Alnwick Castle	1,200	341·4	2,543	1,950	4,493	Conseequa.	
,,	Cirencester	1,200	364·0	2,746	1,950	4,696	Puankhequa.	
,,	Coromandel	..	185·1	1,379	1,950	3,329	Mowqua.	From New South Wales.
,,	Walmer Castle	1,200	370·4	2,759	1,950	4,709	Puiqua.	
,,	Thames	1,200	373·7	2,783	1,950	4,733	Yanqua.	
,,	Marquis of Ely	1,200	343·2	2,556	1,950	4,506	Ponqua.	
,,	Canton	1,198	332·6	2,506	1,950	4,456	Chunqua.	
,,	Neptune	1,200	372·9	2,777	1,950	4,727	Gnewqua.	
,,	Cuffnells	1,200	353·5	2,633	1,950	4,583	Conseequa.	
,,	Hercules	..	144·6	989	1,950	2,939	Puankhequa.	From New South Wales.
,,	Perseus	..	138·9	971	1,950	2,921	Mowqua.	
,,	Atlas	547	151·7	1,165	1,950	3,115	Puiqua.	
1803	Atlas	? 600	176·1	1,312	1,950	3,262	Yanqua.	From New South Wales.
,,	Cumberland	1,200	331·4	2,468	1,950	4,418	Puankhequa.	
,,	Warren Hastings	1,200	331·3	2,467	1,950	4,417	Mowqua.	
,,	Henry Addington	1,200	339·7	2,543	1,950	4,493	Puiqua.	
,,	Earl of Abergavenny	1,200	368·4	2,744	1,950	4,694	Yanqua.	
,,	Exeter	1,200	325·3	2,423	1,950	4,373	Ponqua.	
,,	Ocean	1,200	332·3	2,475	1,950	4,425	Chunqua.	

,,	Hope	1,200	380·2	2,831	1,950	4,781	Gnewqua.	
,,	Dorsetshire	1,200	328·9	2,449	1,950	4,399	Conseequa.	
,,	Ganges	1,200	377·4	2,811	1,950	4,761	Puankhequa.	
,,	Earl Camden	1,200	333·0	2,480	1,950	4,430	Mowqua.	
,,	Bombay Castle	1,200	308·1	2,295	1,950	4,245	Puiqua.	
,,	Coutts	1,200	350·1	2,607	1,950	4,557	Yanqua.	
,,	Royal George	1,200	329·3	2,453	1,950	4,403	Ponqua.	
,,	Alfred	1,189	321·6	2,396	1,950	4,346	Chunqua.	
,,	Wexford	1,200	320·2	2,385	1,950	4,335	Gnewqua.	
,,	Warley	1,200	353·2	2,678	1,950	4,628	Conseequa.	
,,	Rolla	..	138·0	952	1,950	2,902	Puankhequa.	From New South Wales.
1804	Woodford	1,180	291·5	2,177	1,950	4,127	Mowqua.	
,,	Coromandel	..	159·0	1,226	1,950	3,176	Puankhequa.	From New South Wales
,,	Thames	1,200	343·6	2,573	1,950	4,523	Mowqua.	
,,	Walmer Castle	1,200	347·3	2,624	1,950	4,574	Puiqua.	
,,	Canton	1,198	298·3	2,266	1,950	4,216	Ponqua.	
,,	Winchelsea	1,200	327·0	2,477	1,950	4,427	Chunqua.	
,,	Marquis of Ely	1,200	326·5	2,439	1,950	4,389	Gnewqua.	
,,	Glatton	1,200	337·1	2,542	1,950	4,492	Conseequa.	
,,	Cirencester	1,200	330·8	2,535	1,950	4,485	Exchin.	
,,	Brunswick	1,200	307·1	2,303	1,950	4,253	Manhop.	
,,	Experiment	..	181·5	1,352	1,950	3,302	Puankhequa.	From New South Wales.
,,	Ocean	..	153·1	1,047	1,950	2,997	Mowqua.	
,,	Cuffnells	1,200	336·7	2,545	1,950	4,495	Puiqua.	
,,	True Briton	1,198	306·5	2,283	1,950	4,233	Ponqua.	
,,	Perseverance	1,200	328·4	2,446	1,950	4,396·	Chunqua.	
,,	Alnwick Castle	1,200	320·0	2,384	1,950	4,334	Gnewqua.	
,,	Neptune	1,200	356·0	2,652	1,950	4,602	Conseequa.	
,,	Ceres	1,200	355·3	2,577	1,950	4,527	Exchin.	
,,	Taunton Castle	1,198	305·0	2,271	1,950	4,221	Manhop	
,,	Royal Charlotte	1,252	360·2	2,690	1,950	4,640	Puankhequa.	
,,	Arniston	1,200	348·1	2,593	1,950	4,543	Mowqua.	

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